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By courtesy of The Royal Philatelic Society, London

The famous copper plate, from which the Mauritius stamps were printed, that played so prominent a part in the great stamp fraud case. It was produced in court from the archives of the Royal Philatelic Society, London, to prove that Jonas Lek in claiming to possess a vertical strip of five of these stamps could not be speaking the truth, because the plate only printed vertical strips of four stamps.

WHAT MEN WILL DO FOR MONEY

*A Revelation of
Strange Cases and Amazing Frauds*

by

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etc. etc.*

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FOREWORD

IN the days of Dick Turpin and Claude Duval, a shot or a brutal assault was regarded as a never-failing means of effecting the transfer of money when the victims failed to deliver up their purses in peace. It was an age of violence.

The petty sneaks in our cities still snatch bags and purses from the hands of unwary women and bolt with the spoils. Countries where the peasant prefers to keep his savings in the house instead of in a bank may suffer a good deal of robbery with violence; the modern counterparts of Dick Turpin and Claude Duval sometimes pursue their activities in the United States by holding up people in trains and on the roads and robbing them of their money and jewels.

But in these days the confidence men find it easier and safer to use artifice instead of force to rob their victims. Education is not the sole prerogative of the good: it also develops the mind of the criminal and teaches him to use his intelligence instead of his physical strength, with the result that the criminal attack on the social order tends to become less crude and more subtle.

We live in an age when insurance plays a part in the lives of everyone. The men who seek to batten on the rest of the community have not failed to see the chances which the insurance world offered to the unscrupulous.

In this sphere the things that men will do for money pass all understanding. Sometimes the pressure of circumstances will drive them to take advantage of a real accident to press a false claim, as in the case where

a gold dredge overturned in Spain; a load of debt may induce people, hitherto upright and honest, to strive to work a swindle as incredible as the Edinburgh Pearl Mystery which brought a promising young army officer to a prison cell wherein he had ample time to meditate upon his downfall. There seems to be no reason why a man worth £500,000 should attempt to swindle underwriters, yet the ordeal of Jonas Lek proves it to be possible, just as the great fire conspiracy proves that a clever man like Leopold Harris could prostitute his abilities by specialising in committing arson, when he might easily have enjoyed a fine income as well as a life of liberty by remaining an honest man.

That doctors could be false to their noble calling and use their skill and instruments to produce wounds solely to swindle the insurance world does not appear to be credible, but unfortunately the disclosures concerning the American accident ring prove it to be true; another case in which truth was the forerunner of fiction was that of Cordelia Poirier who, after helping to murder her husband in order to gain the insurance money, played the organ at a wedding service, proving thereby that Edgar Wallace's gangster who mixed up murder with interludes of music was by no means an impossible character.

But of all the ruthless and amazing things that men will do for money, it would be difficult to surpass the activities of the American known as Herman Mudgett, or Holmes, who had the power to fascinate any woman he fancied and who thought no more of taking human life than a gamekeeper thinks of shooting a rabbit. His coolness and effrontery can be judged by the clever way in which he got rid of some of the skeletons of his victims by selling them to medical schools, after he had employed an expert to set up the skeletons for him. The revelations

in the following pages prove that he was one of the greatest criminals the world has ever known.

This book has proved to be an immense labour, beset with unexpected difficulties, which necessarily covered a wide field in Great Britain and the United States. There were days when the ends of some of the problems seemed so far off and obscure that they threatened to evade me entirely. The sudden termination of a record at a critical phase would force me to seek its continuation elsewhere, and all my persistence was needed to master the intricacies and gather the details that were essential to complete my narrative. The cold-blooded delinquencies of Cordelia Poirier and the arch-criminal Holmes proved to be peculiarly baffling to trace, which probably accounts for the fact that they have not previously been told in all their starkness in any other book: they should provide an engrossing psychological study as well as something of a surprise to all criminologists. In these times when legions of writers and experts are devoting their lives to delving into criminal records to snap up anything outstanding, it may be regarded as no mean feat to be able to present so many cases of the first magnitude which have not hitherto figured in a book; and if the reader finds as much interest in these pages as I found in the writing of them, I shall be content.

I wish to record my thanks to The Royal Philatelic Society, London, for their help; to others who have assisted me in various ways and also to the Executive of Lloyd's for permission to consult their invaluable Law Reports.

DAVID MASTERS.

CHAPTER I

THE EDINBURGH PEARL MYSTERY

THE EDINBURGH of a quarter of a century ago did not differ greatly from the Edinburgh of to-day. It was just as lovely—on a sunny day—as it is now, Princes Street was just as imposing, the massive columns of grey granite, scarcely touched by the winds and rains of a century, still stood starkly on the top of Calton Hill to give an Athenian impression to the city. Poverty and dirt still met the eye along the Royal mile to Holyrood, and groups of women could be seen then, as now, gossiping in Whitehorse Close, whence in olden days the coach used to start on its long journey to London, while their most intimate garments fresh from the wash-tub fluttered frankly on the lines over their heads.

Nevertheless there are differences. Set like a jewel in the heart of the old castle perched up on the rock at the western end of Princes Street is the awe-inspiring war memorial which now brings pilgrims from all over the world; while Calton gaol which stood grimly at the foot of Calton Hill has been swept away to give place to nobler and more useful buildings.

On Wednesday, February 8, 1911, Police Constable Jackson was on duty in Edinburgh in Shandwick Place just after 6 o'clock in the evening, when a young army officer and a lady in a state of great agitation suddenly came up to him. "This lady is my wife, and she has been robbed of a pearl necklace worth £6,500," said the officer, Lieutenant C. Aylmer Cameron.

It was startling, unexpected news. "Where was she robbed?" asked Constable Jackson.

"At Boots' window. I went into the shop to make a purchase, leaving my wife looking in at the window, when two men came up to her. One was tall and the other short." He turned to his wife. "Is that not so?"

"Yes," she said.

"The tall one grasped her by the throat with his right hand, put his left hand down the back of her dress and undid the clasp of the necklace, which was quite out of sight. After the robbery, the men ran across the street and down Canning Street—that is so, isn't it?"

"Yes," said Mrs. Cameron. "I think the tall one was the man who called at my flat to see if the house was to let," she added.

"You had better go to the police station and report the robbery," said Constable Jackson.

"My wife is faint. Will you get a cab for us?" asked Lieutenant Cameron.

"Ay," said the obliging constable. He secured a cab in which Lieutenant Cameron and his wife drove off to the police station at Torphichen Place where they told Inspector Ronald Scott about the robbery and described the assailants as best they could.

The description was rather meagre. According to Mrs. Cameron the tall man was about 5 feet 10 inches in height, slender in build and about forty-six years old. He appeared to her rather like a foreigner. A short man joined him as he bolted away.

"Did they say anything?" inquired the inspector.

"After they had taken the necklace, the tall one said to the short one, 'It is all right. Away you go now,' " explained Mrs. Cameron.

Such was the beginning of a case which puzzled many people far beyond the boundaries of Edinburgh and

puzzles some even to-day. Not until forty-eight hours later was news of the robbery published, and during that time the Edinburgh police were scouring the city for a trace of the missing necklace.

Under a policy dated December 5, 1910, the pearls were insured with the underwriters of Lloyd's for £6,500 and Lieutenant Cameron promptly wrote to Mr. Henry Munt, the insurance broker to acquaint him of the loss and lodge a claim. Without delay Mr. Alfred Leach travelled to Edinburgh to look into the matter on behalf of the underwriters.

Meanwhile the police were searching the likely haunts for some clue. The shopkeepers in Shandwick Place were closely questioned, but although there were people about, not a single person could be traced who was a witness of the affair.

It seemed impossible to the police that a woman could have been the victim of a highway robbery in such a thoroughfare at that hour of the evening without someone seeing what happened. They got into touch with people who were on the spot about the time that Mrs. Cameron was there, but none of these saw any signs of commotion and all were as ignorant of the fact that a robbery had been committed as were the people a mile away.

It did not take long to convince Mr. Leach that the alleged robbery was simply a plot to swindle the underwriters; as for the police, they were so sure of it that on Friday, February 24th they took out a warrant for the arrest of Mrs. Cameron on a charge of being concerned in a fraudulent scheme for obtaining £6,500 from Lloyd's.

On Sunday morning, just as she and her husband were starting for a drive in a cab, the police served the warrant on her and they were both driven to the police station. Although she was under arrest, the police had no warrant

for the arrest of Lieutenant Cameron. Nevertheless he was kept at the police station with his wife, while the police hastily took out a warrant for him so that they could not be accused of detaining him without authority.

The sanctity of the Scottish sabbath is so rigid that even the police were rather dubious as to whether they had done the right thing. Fully aware that no legal business could be transacted in Scotland on Sunday in the ordinary way, the police were uncertain whether a warrant issued on Sunday could be legally upheld, so to be on the safe side, and ensure the legality of their action, they took out another warrant for the arrest of Lieutenant Cameron on the Monday morning.

Going to the house in Heriot Row where the Camerons lived, the police made a thorough search and carried away every document they could lay their hands on. Nothing escaped their eyes, nothing was sacred to them, old love letters, army documents, accounts and notes were all gathered together and taken away for scrutiny and study.

The Camerons protested indignantly. Their legal advisers questioned the manner in which Lieutenant Cameron had been arrested, they objected to the seizure of the documents, especially as many of them had nothing to do with the case at all, and asked to have access to them.

However dubious the police may have been about obtaining a warrant on Sunday, the Crown authorities backed them by emphasizing that a warrant could legally be issued at any time. As for the documents, it was decided to prepare a list of them to submit to Lieutenant Cameron, who could then specify those he might require. Some letters written by Mrs. Cameron before her marriage in 1906 were returned by the police the day after they were seized; but there was something

in the attitude of the authorities to suggest that they had seized documents which they had no intention of allowing to pass out of their possession.

For three months Lieutenant Cameron and his wife were out on bail, sureties of £500 being demanded for each. During this period the Camerons worked hard to prepare their case, while the police pushed their enquiries in all sorts of unexpected quarters.

The Camerons were wont to move in good circles, they were friendly with titled people and attended the smart functions that were held in the Scottish capital. Those who knew them considered the charge was preposterous. Many people had seen Mrs. Cameron wearing her pearls at these functions and Lady Ruthven, when she heard of the loss, called next day on Mrs. Cameron, who was in a state of partial collapse. Mrs. Cameron was in fact so distressed by the experience that it had been necessary to call in the doctor to attend to her and examine her throat.

Lieutenant Cameron, an officer in the Royal Horse Artillery, was keen on his profession. He had taken up the study of the Russian language, qualifying as a first-class interpreter. In the early days of this century, when Russia was knocking at the door of Afghanistan, the military authorities in India were very concerned lest a Russian army should invade India through the Khyber Pass, so an army officer who could speak Russian was an undeniable asset to the Indian Army, consequently a special grant with extra pay was awarded to any officer who qualified as an interpreter. Here was proof that Lieutenant C. Aylmer Cameron took his profession seriously and was determined to get on.

After his wedding in 1906, he served for a period in India, and returned to London in the autumn of 1910 before being posted to his unit at Edinburgh. All who

came into contact with him regarded him as the soul of honour. He was considered an officer and a gentleman, and no one had ever been known to say anything against him. Was it possible that this keen and intelligent officer could have been guilty of an attempt to swindle the underwriters out of a fortune?

People who knew him well could not credit it. In their judgment it was against the nature of the man to do such a thing. They felt sure he would clear his name. It was therefore no surprise to them to hear that he and his wife entered a plea of not guilty when the indictment was served on them.

On May 29, 1911, their trial began in the High Court of Justiciary in Edinburgh before the Lord Justice-General, Lord Dunedin and a jury of Edinburgh citizens. The Crown put up the Solicitor-General, Mr. William Hunter, K.C., Mr. Andrews, K.C., and Mr. Lyon Mackenzie to prosecute the Camerons, who were defended by Mr. Clyde, K.C., Mr. Morison, K.C., Mr. Kemp and Mr. Fraser, who in later years became Sir Matthew Fraser.

Nothing startling occurred during the first day of the trial. Constable Jackson explained what happened when the prisoners told him of the robbery. Inspector Roderick Scott narrated what took place when they arrived at the police station to report it, and Mr. Alfred Leach described how he went to Edinburgh to investigate and was forced to conclude that no robbery had taken place at all.

On May 30th, the second day of the trial, the police revealed why they were so determined to keep possession of the documents they had seized. An amazing letter which they discovered in the flat in Heriot Row was read in court. Dated November 14, 1910, it was written to Mrs. Cameron, as follows:

"My darling Girlie,

"I shall bring you the pearls in a day or so. I have kept them for you. India was a risky place to send them to, but you will respect Eileen's request. I know, alas, how often I offered pearls and all else I had to my little ladyship. The pearls are lovely, two rows, and it has been years of labour matching them. I long to see you in them, my Irish girlie. As a child your big grey eyes haunted me, and now they hurt me more than ever. I am going out of reach of all this. The wilds of Africa will know me again for months. It is a lonely life, Ruby, out of touch with your pals, and I leave no address and so forget it all, for awhile at least. It is awful hard.

"To pick up the thread of the pearls again—by the by—except for your husband, whose consent you must get, keep my name out altogether, girlie. I have many good and important reasons. I will insure them if you like, but perhaps your husband would rather do it with his own man. They are yours now, darling, and I am thankful at last, sad as the circumstances are, I can give these at least to my brave little Irish colleen. The pearls were given by 'Genec' to a pal to look at, and he declared that they are as fine as he had seen anywhere. This was years and years ago.

"Now, Ruby, I can trust you so; you are that delightful thing a close woman. Would to God there were more. Those pearls were the wages of sin and belonged to the man my wife loved, but on forgiving her I let her keep his things. She cared for nothing else. You know the wretched story and will spare me more. My innocent child left them to you and it's love alone they carry now. I will meet you anywhere, but alone. I want no strangers there. Your husband

will consent, for no man knowing you could but trust you always and anywhere.

BILLIE WALKER."

This letter, if true, explained where Mrs. Cameron obtained the pearls and why they were presented to her; it proved her to be the lawful owner of a pearl necklace.

But was it true? At first glance it seemed very unlikely that any sensible man would write such a letter, yet one has only to recall some of the letters read in breach of promise cases to realise that when men are in love they can and do write letters that are utterly incredible to the normal mind. Nevertheless there was in the first place such a Ouidaesque touch, such a romantic flavour about the letter that it seemed much more like the gushings of a silly schoolgirl than the expressions of a man. Then it explained too much. It was a life-story—and a novelettish one at that—packed into a letter. It revealed a man's love for Mrs. Cameron, how he had offered her everything he possessed and had been refused, how his wife had been unfaithful and had accepted these pearls from her lover, how at her death they had passed to the daughter who at her death passed them on to Mrs. Cameron; how he was going away into the wilds out of touch of everyone.

It was all so ingenious that it savoured of a burlesque; it was an explanation of the ownership of the pearls that was too, too perfect; it made the existence of the pearls themselves suspect. The letter presumably proved that they must have been valuable, because they had been shown to someone who said so; they must be insured; they had taken years to match, they were the "wages of sin," there was the "innocent child"—hoary old clichés reminiscent of the popular melodramas—and above all was the tribute to Mrs. Cameron's reticence which explained why she could be trusted not to speak of

anything, leaving everything veiled in mystery and romance.

On the other hand were people who swore that they had seen her wearing the pearls. There was, for instance, her maid Tenca who said she put them round her mistress's neck on the day they were stolen—a beautiful two-row necklace which her mistress said was a present from Mr. Walker. There was a friend in Bayswater who said Mrs. Cameron had shown her pearls worth £7,000 or £8,000 left to her by a "little Russian friend." Mrs. Elizabeth Fraser of Heriot Row swore she had seen the pearls three times, and Miss H. C. Brisco testified that on December 6th Mrs. Cameron left her pearls with her for safety while she and Lieutenant Cameron attended a Russian lecture. Mrs. Cameron explained that the pearls were insured for £6,500 and Miss Brisco and Lady Brisco handled them and admired their beauty.

Mrs. Duncan, of Cadogan Square, with whom Mrs. Cameron had stayed from November 28th to December 12th, had also seen the double row of pearls that had been given to Mrs. Cameron by Billie Walker. Mrs. Cameron mentioned that she had met Billie Walker in the street and lunched with him at Claridge's; the death of his daughter made her feel very sad. Then Lady Ruthven stated how she had seen Mrs. Cameron wearing the pearls at parties in Edinburgh.

Nor was this all, for Miss Mina Shawe described how Mrs. Cameron, who was her sister, came back from India with the necklace which was a present from Billie Walker—a gentleman worth between £30,000 and £40,000 a year. Incidentally Billie Walker's letter explained that he was afraid to send the pearls to India, so there was some discrepancy here.

Mrs. Cameron's father, Mr. Joshua E. Shawe, said he had seen the necklace, which his daughter said was left to

her by Billie Walker's little girl who died near Paris—this hardly squared with the “little Russian friend,” already mentioned. He spoke to Lieutenant Cameron about allowing his wife to accept such an expensive present, and that officer said he had had a “turn up” with his wife over it.

So many people had seen the pearls, so many had heard of Billie Walker, that it seemed difficult to doubt their existence. Yet when it came to the crux of the matter, and the question was put to each one bluntly, not a single person could swear whether the pearls they saw were real or false. They did not know, which is not surprising, for imitation pearls are so good that it takes an expert to detect the difference.

But the assumption that the pearls were false was contradicted by the insurance. Without doubt real pearls were insured, for they were submitted to an expert who valued them specifically for the insurance before the policy was issued.

In the face of this it was no good trying to prove that the insured pearls were not real. They must have been real, and it was obvious that Mrs. Cameron had a pearl necklace worth £6,500 in her possession at the time the insurance was carried out. If so, where did it come from and where had it gone?

These questions, puzzling as they were at first, ceased at last to puzzle the police. Their early inquiries about the valuation of the insured pearls revealed that a representative of Messrs. Carrington, the famous jewellers of Regent Street, London, acting on Mrs. Cameron's instructions, had taken a two-row necklace of pearls to an insurance broker to have them valued on her behalf. This necklace was obtained from Carringtons on approval by Mrs. Cameron who had it in her possession for a week or two. During this period another expert valued a pearl



Messrs. Carringtons, the famous London jewellers, as it was when Mrs. Cameron obtained the pearls which figured in the Edinburgh pearl mystery.

necklace for her, and the queer thing was that although the numbers of pearls in each string—57 and 59—were the same, the weights of the pearls in each string, as noted by this valuer, did not agree with the weights of the pearls in the same strings as those of Carrington's, yet the total weight of the necklace was practically the same as that of Carrington's. The variation was probably due to a slip in noting the weights of the individual strings, for there was not much doubt that both necklaces were one and the same.

It came out in court that Mrs. Cameron returned the pearl necklace to Carringtons and instructed them to make up an imitation copy, a copy which, we may be sure, her best friends would not know from the real necklace.

"Why did she have a copy of Carringtons pearls made if she had a real necklace of her own?" queried the judge. "Why, if she already possessed a pearl necklace, should she go to Carringtons for another?"

These matters were quite ignored. No attempt was made to explain them by Mrs. Cameron or her husband.

Some weeks after the imitation pearl necklace was delivered to her she tried to induce Messrs. Carrington to take it back again. On January 26, 1911, she wrote to them: "About the pearl necklace which you made up for me and which I wrote and told Mr. Hayward was no good to me. Instead of this necklace, which is with a friend of mine, and will be returned to you any day on her visiting London, I should like to get a tortoiseshell set."

Messrs. Carrington were anxious to please their customer, but as the imitation double necklace was made up to her order, they were not prepared to take it back. Instead they offered to sell it to a dealer and credit her with the price it fetched. On February 9th, before this

matter was settled, Lieutenant Cameron wrote and told them that his wife's pearls had been stolen.

On February 17th Carringtons wrote again for payment of their account, whereupon on February 19th he sent the following long letter: "You appear to entirely forget the extreme pains that Mrs. Cameron put herself to in her endeavour to secure you the sale of some pearls to Mr. Marshall Toogood, and in this respect she should have merited at least reasonable treatment. With regard to the account, one item of £15 appears which I believe is for stringing the pearls to be shown to Mr. Toogood. I must point out that this was done entirely at your risk in order to effect a sale which unfortunately was not completed. The account containing this item has been submitted to Miss Nutting, a sister of Mr. Arthur Toogood, for whom Mr. Marshall Toogood wished to buy your pearls as a wedding present. It has consequently nothing to do with me or Mrs. Cameron.

"As regards the item of the imitation pearls, these were brought by your representative on the eve of our departure from London, but were instantly refused by Mrs. Cameron. Your representative Mr. Hayward insisted on her keeping them until morning to see them, but they were not suitable. Mrs. Cameron asked a friend in London to return them to you, but for some reason or other this was not done. Yet in this we are morally to blame and I presume must submit to your proposal to job them. I will instruct the friend in whose possession they have been this whole time to send them back."

It will be noted that Lieutenant Cameron mentioned that the pearls were left with a friend in London, while Mrs. Cameron said they would be returned when her friend visited London; but the one thing certain is that the imitation pearls were not back in the possession of Carringtons on February 19th, and that they were

handed to Mrs. Cameron on December 12th just as she was about to leave London for Edinburgh.

Where were they in the interval? Were they in charge of the friend, as the Camerons asserted?

If so, why was the empty case for this imitation pearl necklace found in the Cameron's flat in Edinburgh by the police? Why was no case for her real necklace found? And why, if Mrs. Cameron already possessed a lovely pearl necklace, did she never show it to Messrs. Carrington's representative, or even mention it to him? It is safe to say that no woman could have resisted doing these things if she possessed a valuable pearl necklace of which she was proud, especially if it had come to her in such romantic circumstances.

The point was, that no one had ever seen Billie Walker. This wealthy gentleman could not be found, although every effort was made to trace him. He had not only vanished completely, but no one had seen anything of him in any of the spots in Africa from which he was likely to start up country. No wonder Lord Dunedin refused to believe that he had ever existed outside the imagination of Mrs. Cameron.

It is not therefore surprising that Carringtons knew nothing of Mr. Toogood or Miss Nutting, neither of whom had they ever seen. They did, however, receive a letter from a Miss Nutting, who was then in France, a letter in which she mentioned Mrs. Cameron's pearls. The police found another letter from Miss Nutting addressed to Mrs. Cameron in Edinburgh, and in this letter the writer also mentioned Mrs. Cameron's pearls.

It turned out that a French maid staying in Cannes had received two letters from Ernestine Tenca, who was Mrs. Cameron's maid, with a request to post them in Cannes. With the two letters was sent a typewritten description of the robbery in Edinburgh of the pearl

necklace, and Tenca told the French maid that Mrs. Cameron would like to have this account printed in the newspapers there. One of the letters posted from Cannes was addressed to Mrs. Cameron, Carlton Hotel, Edinburgh, and the other to Messrs. Carrington, Regent Street, London.

If you guess that these were the letters which came from Miss Nutting you will guess right, and neither the judge nor the jury were surprised when Mr. William C. Smith, a handwriting expert of Edinburgh, proved that letters written by Mrs. Cameron and those presumably signed by Billie Walker and Miss Nutting were all penned by the same hand. There was no doubt about it, for not only was the writing similar, but the Billie Walker letters and Miss Nutting letters used the same phrases as those used by Mrs. Cameron in her letters.

Neither Mrs. Cameron nor Lieutenant Cameron went into the witness box, so it was impossible to examine them or cross-examine them in court. They stood there in the dock for days while their secrets were laid bare, while the bankers told how Lieutenant Cameron when he married had no assets and no debts, how his account fluctuated until at one time he had £500 in hand. But during their four years of married life they had gradually got into debt until at the time of the disappearance of the pearls they owed just over £1,000. It is only fair to them to mention that this debt was reduced to about £200 by the time they were brought to trial.

One highly significant thing the bankers proved. Lieutenant Cameron wrote them from Edinburgh on February 8th, which was the same day that the robbery was supposed to have taken place, saying that he proposed shortly to pay into his account a sum of £6,000 which he wished to invest. They drew up a scheme for investing this sum, but later he wrote and

said that the theft of his wife's pearls had interfered with the proposed investment.

There was no need to ask where that £6,000 was coming from. He was unable to name any other source of supply. That sum could not have referred to anything else except the insurance money.

It took the jury no more than twenty-five minutes to return a verdict of guilty, whereupon Lord Dunedin sentenced each to three years' penal servitude.

On June 28, 1911, the following notice appeared in *The Times*: "Royal Horse and Royal Field Artillery. Lieutenant C. A. Cameron is removed from the army, His Majesty having no further occasion for his services."

Disgraced and ruined, the cashiered officer and his wife occupied their separate cells, she in the gloomy Calton Gaol at the foot of Calton Hill, he in Peterhead Prison. But early in September Mrs. Cameron was removed from the prison to a nursing home for special treatment. This was very unusual, but under the Act of Parliament the Prison Commissioners were permitted to transfer a prisoner to a nursing home or hospital if it became necessary. Within a few days on September 14th, it was announced that Mrs. Cameron had been released on licence, as the state of her health made her unfit for further detention. Whether she was really ill, or whether she malingered cleverly enough to deceive the authorities remains a moot point.

This unexpected termination of her sentence gave rise to all sorts of rumours in Edinburgh, where it was freely stated that her husband was not to blame. Public sympathy grew so strong that it found an outlet in a petition, drawn up by an officer of the Indian Army, that was largely signed praying for his release, a petition that was delivered to the Secretary of State for Scotland on August 19, 1912. It is particularly interesting to know

that among the notable people who signed this petition was Lord Dunedin, the judge who sent him to prison, Lord Roberts of Kandahar, the popular little Irish Field Marshal who was the pride of the army, and several other peers and Members of Parliament as well as army officers of high rank.

Nothing happened. The prisoner still languished in Peterhead Prison.

In the middle of January 1913 Mr. Watt, M.P., asked in the House of Commons whether the petition had been received. Mr. McKenna acknowledged the receipt of the petition and informed him that the Secretary of State for Scotland regretted that after the most careful consideration he was unable to comply with the request—a reply which still represented the official view of the case.

Even if Mrs. Cameron was the prime mover in the attempted swindle, even if she did all the plotting and planning, as her letters suggested, there were letters of his which proved that he had played a part. She may, of course, have dominated him so completely that he could not help himself. It was certainly her extravagance which plunged him so deeply into debt. Anyway, the evidence was such that the authorities were justified in refusing the prayer of the petitioners. Whatever his wife may have said, even if she sought to take all the blame on her shoulders when she realised how completely the plot had ruined the husband she loved, he could not in the face of his letters prove that he was completely innocent unless he could prove that she deceived him utterly over the necklace and the robbery.

If he were indeed innocent, as many people were inclined to think, and did not realise the crass stupidity of the plot until he was involved up to the neck, then he acted from first to last with the greatest chivalry and

self-abnegation, for not one single word did he utter against his wife.

Early in September 1913 it was learned that he had been released from Peterhead Gaol in the previous July, the remission of his sentence being earned by his excellent conduct in prison.

It was an extraordinary case that seemed at the time to have shattered the army career of a keen young officer. But the outbreak of the great European War brought him a wonderful chance to rehabilitate himself. It was a crisis that called for all the military capacity that the State could command, so the War Office rightly sought to utilize his special training and ability. On November 20, 1914, he received a special appointment as a temporary captain and was graded for purposes of pay as a general staff officer. He seized the opportunity with gratitude. The following year he was re-appointed to the Royal Field Artillery with the rank of major, and his military experience and knowledge of Russian were of incalculable value during the desperate struggle.

It is a pleasure to record that his high courage and devotion to duty more than atoned for the unhappy past. His name was twice brought to the notice of the Secretary of State for War for the valuable services he had rendered. He won the Distinguished Service Order, and France, Belgium and Japan all honoured him by awarding him respectively the French Legion d'Honneur Croix de Chevalier, the Belgian Ordre de Leopold Chevalier, and the Japanese Order of the Rising Sun, while in January 1920 he was made a Commander of the Order of the British Empire.

Before he died on August 19, 1924, he had the satisfaction of knowing that he had won back his good name as an officer and a gentleman and that he had served his country and the empire truly and well.

CHAPTER II

THE PITEZEL MYSTERY

"THE remains of B. F. Perry, 35 years old, who kept a small store in 1316 Callowhill Street, were found in a second storey room of the building yesterday. The face and left arm had been burned, it is thought, by an explosion while he was filling a bottle of benzine."

"Another accident," thought the citizens of Philadelphia who read this summary in their morning paper on September 5, 1894.

That is what Mr. Smith thought when he found the body. Having already constructed a counter on the premises at Callowhill Street and done one or two other jobs, Mr. Smith called there on September 3rd to see his patron. Opening the door and finding Mr. Perry was absent, he sat down to wait, letting his glance rove round the room in the meantime from one thing to another, as is the habit of people who are compelled to sit idle with nothing to do. The chairs were not in the positions they usually occupied when the place was tidy, and Mr. Perry's coat and collar were hanging on a peg, but the visitor did not worry his head about these things at the moment. With a final glance round, after waiting for some time, he took his departure and decided to call next day.

He walked in on September 4th, expecting to see Mr. Perry. Instead he saw that the place was still empty. He saw more. During the time he had been sitting there the previous afternoon the position of everything in the

room had photographed itself on his mind. Not a thing had been moved. The chair in which he had sat remained in exactly the same position as when he had got up from it; Mr. Perry's coat and collar still hung in the same way from the peg on the wall.

"That's strange," thought Mr. Smith. "Wonder where he is?"

He knocked loudly on the counter with his hand, and listened for an answering call. There was no sound, no movement, so he walked upstairs to explore. Pushing open the door of the front room, he saw a bed, but no trace of the owner. Then he opened the door of the back room, to find Mr. Perry lying in his underclothes upon the floor with the sun shining between the partly-open shutters full on his face. A glance and the stench sent Eugene Smith rushing for the police.

The officers noted the position of everything in the room. The dead man lay there with the pipe that had fallen from his mouth, his face and moustache were burned, a broken glass jar was on the floor—all pointed to a fatal accident.

The doctors also made an examination and noted things with a scientific precision. They looked carefully at the broken jar, then they gazed curiously at the pipe and conferred together before one sought to lift it without changing the position in which it was lying. A strong smell of chloroform mingled with the odour of death in the room.

Completing their preliminary examination, they gave instructions for the body to be removed to the morgue which lay at the back of the building that Perry occupied. They were very puzzled after the post-mortem examination. Some of the things they found seemed to be contradictory. The congested lungs and the burns were indicative of a shock and sudden death that might arise

from an explosion, yet the liquid chloroform found in the stomach suggested that this may have been responsible for the tragedy. It all seemed rather peculiar, but it looked as though death was accidental, an impression that the coroner's jury confirmed by a verdict of death by burns and the inhalation of chloroform.

The police inquiries in the neighbourhood failed to trace any relatives of the dead man. No one thereabouts knew much about him. He had moved into the premises a few weeks previously to start business as a dealer in inventions, but apart from this there was little to be learned and no one could say whether he had any friends or connections. In the end he was buried in Potter's Field at the public expense and passed from the public mind as quietly as he had passed from life.

In a day or two, however, he began to loom large in the office of the Fidelity Mutual Insurance Association of Philadelphia. On September 11th, Mr. Fouse, the head of the insurance company received a polite letter from a St. Louis attorney named J. D. Howe, informing the company that the notice of Perry's death had been seen in the newspapers, and that the real name of the victim was Benjamin F. Pitezel, who was insured with them for \$10,000. The dead man, the letter stated, had changed his name owing to financial trouble in the west, and his widow had instructed Mr. Howe to act on her behalf.

Discovering that a policy was taken out in Chicago in November 1893 by Pitezel, Mr. Fouse got into touch with the Chicago branch to find out particulars. The dead man, he learned, was recommended by a friend named H. H. Holmes, whose present whereabouts remained unknown, but the Chicago office was seeking to trace him, as there was no doubt that he could supply marks by which Pitezel could be identified. Meanwhile the officials

sent their own description of the man they had insured to see if it tallied in any way with the man who had been found dead.

Eventually Holmes was discovered through his wife. He wrote to the insurance company, saying he knew that Pitezel was passing under the name of Perry in Philadelphia and that he would call on Mr. Fouse and supply marks of identification. Holmes, when he called on Mr. Fouse on September 20th, proved to be a man of great personal charm, very intelligent and friendly; he described the marks by which Pitezel could be identified, a wart or mole at the back of the neck, a scar on one shin, certain peculiarities of the teeth.

"I've a Mr. Howe coming to identify the body. Do you know him?" asked Mr. Fouse.

"No," said Mr. Holmes.

"I wonder if you could remain till he comes?" inquired Mr. Fouse.

"Certainly," agreed Mr. Holmes, who bade Mr. Fouse good-bye and departed.

Next day Mr. J. D. Howe called at the office of Mr. Fouse with a young girl. She was Miss Nellie Pitezel, whom he had brought along to identify the body, because her mother was too ill to make the journey from St. Louis to Philadelphia.

"There is a Mr. Holmes in the town who came to see me yesterday," said Mr. Fouse. "I asked him to come along to-day to meet you."

Mr. Howe was querulous. "Who is this man? What does he mean? What does he want?" exclaimed the attorney.

"He said he was a friend of Mr. Pitezel and that he could identify the body," explained the head of the insurance company, who was discussing the matter when Holmes appeared. Mr. Fouse introduced the two men,

who shook hands and made the remarks that people make when they meet for the first time.

Holmes turned to the girl with a friendly smile. "You remember seeing me with your father?" he inquired.

"Yes," assented the child.

Then they all went off to perform the gruesome task of identifying the body, the girl weeping bitterly and shrinking back into the mortuary as far as possible from the remains that lay covered over with newspapers.

The doctor looked in vain for the marks of identification on the neck and leg. "I can't find anything," he said at last.

Holmes was surprised. "Give me your gloves," he said, waving the doctor aside. Slipping them on with practised ease, he took the surgeon's curette and stooped over the body. "Here you are," he added, and after allowing the doctor to see the wart he promptly cut it out of the base of the neck and handed it over to be preserved. Natural decay had concealed it, as it had veiled the scar on the shin, which Holmes skilfully uncovered.

They spared the child as much as possible of that awful ordeal, but ultimately they led her forward to comply with the formalities. Weeping bitterly, she took one glance. "Those are my daddy's teeth," she sobbed, and was led away in a very distressed state to sign the following affidavit:

"I am 15 years of age. Benjamin F. Pitezel was my father. He was 37 years old this year. My mother is living. There are 5 children. My father came here and from here left for St. Louis. He first went to New York, but left there on August 11th. We learned of his death through the papers and I came on with Mr. Howe and saw his body on Saturday, September 22nd in the city burial ground and I fully recognize the body as that

of my father by his teeth. I am fully satisfied that it is he.

E. ALICE PITEZEL."

With the identity of the dead man proved, it only remained for the insurance company to settle. Making a slight adjustment for the expenses incurred, the company wrote a cheque for \$9,715. 85c. which they handed to Mr. Howe, who gave them a receipt and left the office.

In the ordinary way nothing more would have been heard of Pitezel. But Inspector W. E. Geary, one of the chief officials of the company, was rather uneasy about the matter. The things that puzzled the doctors aroused his suspicions. He could not get out of his mind the impression that a swindle had been worked on his company—more than once he wondered whether something more than a swindle had not been committed.

It was no surprise to him when the Chief of the St. Louis Police wrote to the company informing them that a prisoner named Hedgepeth had intimated that the whole thing was a plot. It seemed that while Holmes had been in trouble in St. Louis he had asked Hedgepeth, with whom he was very friendly, whether he could recommend a lawyer to defend him. Hedgepeth sent Holmes to J. D. Howe, and Holmes confided to Hedgepeth the details of a plot to swindle the insurance company, promising him \$500 as his share of the spoil. As Hedgepeth could not get his money, he decided to give the game away.

"You'd better go along to St. Louis and see the man," said Mr. Fouse to Inspector Geary. The latter went, and concluded that Hedgepeth was speaking the truth. At once Geary wired his conclusion to Mr. Fouse who made up his mind to get to the bottom of the whole thing. Calling in the superintendent of claims, Mr. O. F. Perry,

he gave him instructions to carry on investigations with Mr. Geary until the swindlers were laid by the heels.

Quietly, methodically, the two men set to work to discover all they could about Holmes, who had since disappeared. That a swindle had been worked, Geary had no doubt, for the fact that Howe had defended Holmes, who was then passing under the name of Howard, on a charge of obtaining goods by false pretences and that the two men had met in the office of Mr. Fouse as absolute strangers to each other was sufficient proof of a conspiracy.

What they had to do first was to find Holmes and see if there was some charge on which they could arrest and hold him. Locating the man was not easy. Inquiry followed inquiry and they trailed him from Chicago across Indiana into Ohio, still on to New York and up to New Hampshire. He seemed to be a veritable Wandering Jew, never resting, always moving on. Two of the smartest detectives in Pinkerton's famous agency were engaged to help in the chase and make inquiries. Telegrams went flashing all over the States, as far west as Denver in Colorado, as far south as Texas. The police of many places looked up their records for traces of Holmes or Howard to see if he had come under their eye previously. Nothing could exceed the determination and tenacity that was shown by the insurance officers and Pinkerton's men.

At last their inquiries led them to Burlington, in Vermont, near the Canadian frontier where they felt sure that, although Holmes was not there at the moment, he would turn up sooner or later. For a few days they patiently watched a house where they expected him to call, and kept an eye on the railway station and other points. Then one of the watchers caught a brief glimpse of him, but Holmes managed to dodge the watching man.

At once the investigators went to the railway station

—the most likely point at which to pick him up again. They were lucky enough to see him buy a railway ticket. From the booking office he hurried to the telegraph counter where he laid down his bag and umbrella and wrote out a telegram. Tendering the money for the telegram, he hastened out, but he was in such a hurry and so pre-occupied that he went without his umbrella and bag. He had gone but a few steps when he realised his loss and at once went back to retrieve them.

“Have you sent that telegram?” he asked.

“No,” said the operator, who had not yet been able to dispatch the message.

Holmes held out his hand. “It doesn’t matter. I’ll take it,” he said and, recovering the telegram from the operator, stuffed it into his pocket as he rushed out and took a seat in a train for Franklin. In the most unobtrusive manner he was followed to Boston with one of the investigators almost rubbing shoulders with him and another within close call. Holmes, who suspected that he was being trailed, doubled right back on his tracks and returned to Burlington, where he rested a night, hoping no doubt that he had shaken off his watchers. But they still waited unseen for his appearance in the street. They saw him come out of the house, they were jostling on the platform with other passengers as he took his seat in the train which carried him to Boston again, they were not far away when he found accommodation in the city.

Throughout Wednesday, Thursday and Friday they kept him under observation and watched to see that he did not slip away unseen. The insurance officers conferred closely with the police of Boston, the police elsewhere were active in tracing the doings of Holmes. It was from Fort Worth, in Texas, that the word came which enabled the trap to be sprung.

On Saturday, November 17, 1894, Holmes, with bag in

hand, left the house in which he had lived with his wife for the last day or two, and walked along the streets on the way to the railway station. The police, who were anxious not to distress the lady by arresting her husband in her presence, followed him unobtrusively for some distance. Then they came up with him.

"We've a warrant to arrest you on a charge of stealing a horse at Fort Worth," they said.

He looked from one to the other. "I'm not wanted from Fort Worth," he said, "but for fraud on the insurance company at Philadelphia."

Directly he was caught he confessed that he had been engaged with Pitezel in swindling the insurance company at Philadelphia. The first part of their plot was to install Pitezel in Philadelphia, the business of an inventions dealer being adopted to disguise the real reason for his presence in the city. They then planned to have an accident in which the corpse of another man was to be substituted as the body of Pitezel, and Pitezel was to disappear until everything had blown over. Holmes was to secure the body from a medical friend of his in New York who could procure it from a medical school. They found it difficult to obtain a body the right size, and got rather tired of waiting, but eventually it was managed, and Holmes took the corpse in a trunk from New York to Philadelphia, where everything passed off as arranged.

"Where is Pitezel?" he was asked.

"I don't know," he said. "He is just keeping out of the way somewhere."

"Who was your medical friend in New York?" inquired the police inspector.

"I don't want to get him into trouble, so I would rather not say. But if it were really necessary I would tell you," was the answer.

Holmes was quite cool and unworried. He answered

the questions in the friendliest manner and explained points freely.

"Where is Mrs. Pitezel?" they asked him.

"She knows nothing about it. There is no need to bring her into it," he said.

The police, however, thought otherwise and after some time they induced him to write a letter asking her to meet him at a certain place. She duly turned up with her young baby and little daughter Dessa and was arrested. Her story followed that of Holmes so closely that the police hardly knew what to make of it. She did not appear to know anything of the plot before it was carried out; her only real knowledge of the affair appeared to date from afterwards.

They pressed her to tell them where her husband was. She swore that she did not know. Mr. Holmes had promised her many times that she was to meet Benny, and she had visited a number of places to do so, but each time at the last moment Mr. Holmes said that Benny could not come, because it was too dangerous and he was afraid the police might catch him.

The desire to see her husband was so genuine that the police could not doubt her ignorance of his whereabouts. She was just as concerned about three of her children, whom she had not seen since Mr. Howe took Nellie with him to Philadelphia, where the lawyer left her in charge of Mr. Holmes who arranged for her to stay with friends in Indianapolis. Mr. Holmes had since taken her son Howard and her daughter Etta to keep Nellie company and she did not know where they were.

"Where are the children?" the police asked Holmes.

"Mr. Pitezel is taking care of them. I gave them into his charge," was the reply.

The police went to the cell of the mother. "Where are the children?" they asked.

"Mr. Holmes told me that Miss Williams is taking care of them," she said, with obvious sincerity.

The police were very puzzled. Holmes in their eyes displayed acute intelligence and cleverness. He was not likely to tell them one thing and Mrs. Pitezel another unless he had some good reason. The items of information filtering in from Chicago and Fort Worth and other places began to suggest that he had more than one swindle to his credit.

They took down his confession and let him rest until next day, when they questioned him again. This time he said the body found in Philadelphia was really that of Pitezel, who committed suicide, but as the insurance money could not be claimed under the policy for suicide, Holmes arranged things to simulate an accident so that the insurance money could be obtained. According to this account he found Pitezel dead about six hours after the tragedy occurred, and dragged him downstairs from an upper floor to the room where he was found and, after arranging things, left the place so that someone else could make the discovery.

"If that was the body of Benjamin F. Pitezel, then you murdered him and his three children," said Detective Frank Geyer.

Holmes was voluble in his denials and swore that the three children were safe. "I admit the charge of conspiracy to defraud, and I am willing to go to Philadelphia to meet it," he added.

His admission of the conspiracy and his willingness to go to Philadelphia without compelling the police of the latter city to obtain an order for his extradition from the state of Massachusetts to the state of Philadelphia increased suspicion against him.

Mr. Geary, who was investigating for the insurance company, felt sure that Holmes had murdered Pitezel.

Some of the police agreed, and others differed. As Holmes had confessed to fraud, they took him to Philadelphia to meet this charge, while Detective Geyer was instructed to work on until he discovered the missing children.

Mrs. Pitezel, weeping bitterly, was placed in a cell in Moyamensing Prison, where Holmes was also held to await his trial.

To the problem of the missing children was added the problem of Dessa and the baby. The police did not think it right that the two youngsters should go inside a prison, for the scenes and impressions of a gaol were not desirable to impress upon childish minds. They suggested to the mother that a society should take care of them. At once Mrs. Pitezel became frantic. "Don't take my children from me," she cried again and again.

Accordingly the children were allowed to remain in order to pacify her, and next day there was the unusual sight of the baby crawling up and down the prison corridor outside the cells, playing with a tin mug the wardress had given him as a toy. It was quickly realised, however, that it was not fair to the children to allow them to remain in such an environment, so they were handed over to the care of the society.

From the day that Holmes was lodged in the cells the police were asking him to clear up various points. Holmes was always quite affable and willing to talk. His plausibility was almost unbelievable. Even when he contradicted something he had already said, he gave a strong impression that the new statement was correct, because he was always clever enough to mention an item which the police found, when they came to check it up, was perfectly true. They were at last led to conclude that one of the cleverest scoundrels who had ever lived was safely in their clutches, but their attempts to fasten his crimes on to him were beset with difficulties.

They were uncertain whether Pitezel was dead or alive, they wondered if Holmes had really substituted a body or whether he had murdered some unfortunate tramp.

"Where is your husband?" they demanded of Mrs. Pitezel, whom they regarded as an accomplice of Holmes.

"I do not know. Mr. Holmes told me Benny was going round by Puget Sound," she said, with the same sincere, rather helpless, ring that marked all her answers.

If Pitezel were wandering across the United States and round by Puget Sound, it was a vast distance and might take the police a long time to trace him.

They returned to Holmes. "Where is Pitezel?" they asked.

"He is all right. He is suffering from malaria in Alabama," was the easy reply.

At last on November 26, 1894, there seemed to be definite news. The American newspapers announced that the fellow conspirator of Holmes was known to be alive, and that Pitezel had been traced to Detroit where he was staying with the three children on October 14th, as the prisoner had stated to the police in one of his confessions.

With Pitezel alive on October 14th, it could not have been his body that was found in Philadelphia on September 4th, so the officers who were convinced that Holmes had murdered Pitezel must have been wrong. But whose body was it? Why would not Holmes tell them the name of the doctor who had supplied it?

Then there was the question of the three children. Where were they? The police had passed the word through all the states in the union. A man could not travel about with three children without attracting notice. Yet there was no word, no clue as to their

whereabouts. Inspector Geary and Detective Geyer were insistent that father and children had all been murdered, but other officials did not know what to think.

Gradually as the information was collected and correlated a tale was unfolded that remains unique in the criminal records of the world. Holmes, who was born on May 16, 1860, in a little village in New Hampshire, was the son of a God-fearing and law-abiding farmer. Endowed with a quick brain, he soon learned all that could be taught him in the village school, and in his youth served in the village store, reading all the books that came his way and learning as much more from them as he could. He was a great favourite with the girls, who seemed to find something very attractive about him. His philanderings, however, were early nipped in the bud, for on July 4, 1878, he celebrated Independence Day by getting married to one of the village girls, who in due course bore him a child.

Throwing up his job in the village store, he went to teach the youngsters in the village school. He had a remarkable ability to absorb knowledge from books, but as his knowledge grew, so did his discontent, for after awhile the prospects of wasting his talents in the village where he was born became unbearable. The great plan formed in his mind that he would become a doctor, so without compunction he cut away from the local community and his wife and went to Burlington, in Vermont, where he studied in the medical academy for a year or two. Here his clever brain found a great deal to interest him in the physiology of the human body, but there is no record that he ever took his medical degree. During the years he spent in Burlington he attained a considerable knowledge of medicine. He was so attractive and had such an easy manner that he found women were as clay in his hands and that he could sway them just as he wished.

His wife was still alive, he was not divorced, but without any compunction he set out to court and captivate a young lady whose parents were very well-to-do. She found his charm irresistible. It was impossible to doubt him in any way, and she was proud and delighted to accept his proposal of marriage. Her parents were equally proud to accept him as a son-in-law, so he married her in the name of Dr. Herman W. Mudgett.

Committing bigamy did not worry him. Her means were now at his disposal to make the way easier for him. She did not question that he was all that he set out to be and that she was his lawful wife, nor had she any idea that the child she bore him was illegitimate. She lived with him happily, and when he left her to continue operations elsewhere he remained on the friendliest terms with her, visiting her from time to time like a dutiful husband.

When he was arrested in Boston he was passing as H. H. Howard, under which name he had gone through a form of marriage with a well-educated and cultured woman named Miss G. Yoke, who was shocked beyond measure on learning that she had been deceived. The police discovered that Holmes arranged to marry her in Denver, and in the most casual way he mentioned to her that they were to be married in another name.

"Why?" queried Miss Yoke who, although she loved him dearly, was not entirely bereft of common sense.

"My uncle has left me his money on condition that I take his name," he explained.

"I don't care. If I can't marry you under your own name of Howard, I won't marry you at all," she insisted.

"All right. Just as you say. It really isn't necessary to adopt my uncle's name before the wedding," he agreed, in the most charming and magnanimous manner that quelled her sudden doubts.

At one and the same time, therefore, three women imagined they were legally married to him, and by his charm and plausibility he managed to deceive them all. He actually had the audacity to take his third "wife" with him while he was visiting his second "wife." Installing Mrs. Howard in a house a few streets away from Mrs. Mudgett, he managed to keep both women in complete ignorance of the existence of each other, so the lies and subterfuges he must have adopted to accomplish this remarkable feat can be imagined.

The complexities arising from these intrigues did not seem to worry him. He made so light of them that he was able to occupy his mind in thinking out quite a number of swindles, insurance and otherwise. The World's Fair in Chicago in 1893 attracted visitors from all over the earth. With so many thousands of people crowding into the place, all with money to spend and the determination to see as much as they could and have a joyous time, Chicago was a happy hunting ground for crooks of all nationalities. Holmes saw the opportunity and made the most of it. One day he employed Benjamin F. Pitezel, a mechanic whose ideas of commercial integrity were not exactly orthodox, to do some work and soon found that the mechanic was quite willing to carry out instructions without being too scrupulous as to the means employed.

The result was that Holmes, with Pitezel as an ostensible partner, but really little more than a man who carried out orders, started an hotel. Judging by the number of wealthy merchants who complained of being swindled while staying there, it must have been highly profitable to Holmes.

With the closing of the World's Fair in October, this source of easy money came to an end. For months the active mind of Holmes had been seeking a new source of

plunder. The insurance companies seemed to him very vulnerable; it appeared to be an easy matter to swindle them. All that was needed was enough intelligence to plan the thing properly and the cash was as good as in the bank.

His first move was to form the Campbell Yates Manufacturing Company, with the names of A. S. Yates, Hiram S. Campbell, H. H. Holmes, Henry Owens and M. R. Williams as the board. The firm was not, of course, designed for real trading, but merely to formulate and justify an insurance claim. Some of the board were merely names, Owens was just the coloured porter employed by Holmes, and M. R. Williams was regarded as the typist by those who saw this attractive and cultured young lady. It is not surprising in the circumstances that the business premises of the company in Sixty-Third Street were gutted out with all the stock they contained early in November and the insurance company who had covered the fire risk had to meet a claim of \$60,000. There were suspicions in the case, but in the absence of something more tangible nothing could be done. From all that can be gathered it seems that Holmes himself masqueraded as Hiram S. Campbell, signed the necessary documents on behalf of the firm and accepted the cheque in settlement.

During the time he was in Chicago he was leading an incredible life of duplicity and immorality. There was a glamour about him that appealed to the other sex. His methods were simple. If a woman or girl attracted him, he offered her an office post, and once she was in his employ he used all his natural charm to get her into his clutches.

Girl after girl fell under his spell, worked in his office for a time, and when he tired of them they just disappeared. To quote the words of a landlady with

whom he lived for some time, "They did not turn up any more."

No one knew where they went. No one apparently took much notice of their absence. They just vanished and were forgotten until the police began to make inquiries concerning Holmes in Chicago.

It soon became manifest that Holmes was an unmitigated blackguard from whom no woman was safe. For instance, he rented the upper premises of a building in which the shop on the ground floor was let to a jeweller named Conner, who was living very happily with his wife and daughter.

Mrs. Conner, an attractive woman, caught the eye of Holmes who suggested in a casual way that she might be very useful to him in his office. The jeweller opposed the idea, but Mrs. Conner, thinking it would be nice to make a little money for herself, ignored her husband's wishes. Holmes gave her some easy work to do about the office, and it was not long before he seduced her. Then, in the most heartless manner, he went to Mr. Conner and told him his wife was unfaithful.

The result was probably the very one which Holmes wished to bring about. The Conner home was broken up, and Conner, separating from his wife, closed his business and went to start afresh in another town, leaving his wife and daughter under the domination of Holmes. Then one day they failed to appear, and where they went or what happened to them no one had the slightest inkling.

Another attractive young lady was a Miss Cigrand who acted as the secretary of Holmes. She, too, failed to turn up one day, and the only information on the subject that ever came from Holmes was that she had gone away to marry someone in Denver. He did not know her married name nor where she was.

But it was his secretary Miss Minnie Williams whom the police were most anxious to find.

"Where is Miss Williams?" they badgered Holmes in his prison cell.

"She has taken the children to London," was the glib reply.

"Where is she staying in London?" they insisted.

"I don't know, but if you advertise for her in this code you will be able to get into touch with her," said the prisoner.

It did not seem to bother him that a few days previously he had told them that Pitezel had taken the children and embarked on a fruit boat for a long trip in order to keep out of the way. Without any excuse and with impressive candour he told them that Miss Williams was taking care of the children in London.

He was palpably one of the most accomplished liars they had ever met. Yet the fact that he was able to produce a code, which he handed over to them, suggested that there might be something in what he said. They advertised as Holmes instructed, but no reply ever came to hand, which did not exactly surprise the police.

Gradually they learned that Holmes had acquired from Miss Minnie Williams some valuable property in Fort Worth, Texas. All of it he sold, with the exception of a plot of land on which he ordered to be built extensive premises, over which he had swindled the building contractors and mortgagees and everyone concerned in the most merciless way. While engaged in this plot, he induced a dealer to part with a dozen fine horses, and it was when the creditors began to gather round in a threatening manner that Holmes instructed a hireling to take these horses to a siding up the line and entrain them. As he had not paid a penny for any of the animals, the Fort Worth police were keen to lay their hands on

him for horse stealing. On this charge they were able to arrest him and hold him in prison.

In acquiring possession of Minnie Williams' property, he went under the name of Alexander Bond, the person to whom the property was transferred being Mr. B. F. Lyman, who was his accomplice Mr. B. F. Pitezel.

The latter, indeed, played his part most admirably in the various swindles in which the two engaged. But he overstepped the mark in Terre Haute where he went round to various clothiers passing off bills and cheques that were forged by Holmes. He made a slip, and found himself in the hands of the police, who quietly took possession of his papers, among them being a deed for some land on which \$1,000 had been paid.

Pitezel at once got in touch with Holmes, who went to Terre Haute and arranged for him to be released on bail. The police assumed that as they retained possession of his personal papers and the land deed they had a safe hold on him, but Pitezel was thoroughly scared. Once he was out of their hands his sole object was to escape; the desire was so urgent that he fled from the place without troubling about his papers at all. It was pretty obvious that whatever swindle Pitezel turned his hand to, he was not anxious to spend his time in a prison cell, and he was not prepared to jeopardize his freedom for the sake of money.

Slowly the information came in from places thousands of miles apart. Miss Minnie Williams turned out to be an orphan who, with her sister Nannie Williams, had come into a considerable fortune worth about £12,000 or \$60,000. A well-educated and well-bred girl, she became interested in the theatre and left Fort Worth for Chicago, where she somehow met Holmes, who induced her to become his secretary, before making her his mistress.

After some time Minnie invited her sister to pay a visit to Chicago. Nannie accordingly joined Minnie, and

both girls stayed with Holmes in various places. There is no doubt that he was carrying on an intrigue with the two girls at the same time, yet he was cunning and clever enough to prevail upon each sister to keep their immoral relationship a secret. The consequence was that so long as it suited him they all lived amicably under the same roof.

In due course a letter from Nannie reached an aunt asking that her trunk should be sent on to an address which was enclosed. The trunk was dispatched, but when the carriers came to deliver it, they found that Miss Nannie Williams was not known there, so they were forced to take it back to their depot, where they retained it for some time. As it was never claimed, they returned it eventually to the place from which it originally came. It was significant that Miss Nannie Williams went away about the same time and was never seen again.

America is a big place, and people disappear for various reasons. The police were only too well aware that because a girl has disappeared it is no proof that she is not alive. Still they were anxious to trace Nannie Williams.

Even more did they want to find Minnie Williams. There was something ominous in the fact that in a letter to her uncle, Dr. Black, she mentioned her approaching marriage to Harry Gordon in Cook County, Illinois. It was in order to be present at the wedding that her sister Nannie joined her, but a close search of the records of Cook County revealed no trace of the marriage of Minnie Williams to Harry Gordon.

The uncle of the girls, the Reverend Dr. Black of New Orleans declared that Minnie had been lured into a bogus marriage with Holmes, under the name of Gordon, just to get hold of her property, and that he had murdered both girls directly the transfer was effected. In the same letter Minnie touched on a trip to Europe after the

marriage, but the uncle was sure this was merely a ruse on the part of Holmes to cover up the disappearance of the girls.

In his cell in Moyamensing Prison, Holmes scanned the newspapers each day, read how the rumours were flying about him, learned just how much the police had discovered and what they were striving to find out. He was affability itself to his gaolers; he answered questions readily, volunteered information, ate well, slept well and did not turn a hair.

Suspensions piled up against him, but nothing tangible emerged. Inspector Geary of the insurance company traced a man, who was thought to be Pitezel, with three children to Niagara Falls and thence to New York where the capital swallowed them up. Efforts to find the other women who had figured in the life of Holmes and then vanished were alike fruitless.

Although Detective Geyer and Inspector Geary were more than ever convinced that there was murder most foul, anything material on which to charge Holmes eluded them. After six months of the most painstaking investigation and endless toil and travel they were baffled.

Unable to delay his trial any longer, the authorities arraigned him on May 26, 1895, for conspiring to defraud the insurance company. He was as cool as any man in court, listening quite calmly to all the prosecuting attorneys had to say about the finding of the body and the part he had taken in identifying it to prove the insurance claim.

For hours Attorney Graham was marshalling all the facts against him, putting witnesses on the witness stand and questioning them to prove his various points, while Judge Hare looked and listened and, throwing in a question of his own now and again, made his notes. At

the end of it all, when judge and jury braced themselves in anticipation to hear what Holmes had to say in his defence, he left them nonplussed by calmly turning to the judge and pleading guilty to the charge of conspiracy to defraud.

By refusing to defend himself, although he had two attorneys in court acting for him, he cheated the prosecuting attorneys of the right to cross-examine him on the witness stand and thus denied them the chance of wresting something damaging from his admissions.

The utmost penalty for the charge of conspiracy was two years' imprisonment, and Holmes waited quietly for sentence to be pronounced.

Instead the judge deferred sentence, and ordered the prisoner to be detained while the matter was under consideration.

Holmes, whose knowledge of legal procedure rather astonished the judge and lawyers, bowed politely and was taken back to the cells.

Detective Geyer would not give up. When Holmes was arrested, the police found upon him a number of letters written by Nellie and Etta Pitezel to their mother. They were childish letters saying where they were and what they were doing, all stressing their longing to see her again and saying that it would not be long before they were back with her.

These ill-spelt and loving letters of the Pitezel children were the only reliable things which threw any light on the movements of Holmes. They indicated that for three or four weeks he was taking the children with him from one place to another. Detective Geyer was convinced that his remarks about handing the children over to their father or to Miss Williams were lies to cover his guilt. In the most dogged way the detective strove to trace every movement of the prisoner from the time he took charge



H. H. Holmes as he appeared during his trial with the beard he grew while in prison. His charm and callousness played their part in a career of fraud and murder which stamped him as one of the master criminals of the world.

of Nellie Pitezel until the day that the children wrote their last letter.

Holmes had been identified by a man who saw him on St. Louis Station with a boy and girl who were Howard and Etta Pitezel. Holmes mentioned that he himself was a drummer, otherwise a commercial traveller, and that he was taking the children to Indianapolis on behalf of an insurance company, who were paying him a fee of \$200.

The letters proved that the children stayed together in Indianapolis for a time. The last one, written by Nellie from the city, had the significant sentence, "Howard is no longer with us."

Holmes covered his tracks in the cleverest way. He used to leave the children in a place for a day and go on without them, then double back and pick them up late at night and go on elsewhere when everything was quiet and there were few people about to note his movements.

Nevertheless, slowly and with much labour, Detective Geyer filled in a record of how and where Holmes had spent his days. There were blanks here and there, and the detective felt sure that these were the vital days that would enable him to clear up the mystery. It was just a matter of finding the missing links in the chain.

He discovered that Holmes was in the habit of renting an empty house, in which he installed a special furnace. In a house which Holmes rented in Detroit the detective found not only a furnace, but hidden away in the cellar was a deep cavity which was undoubtedly designed to be a grave. As it was empty, Holmes was undoubtedly prevented from carrying out his intention.

At last the detective traced the children to Toronto where they were staying at the same time that Mrs. Pitezel and her other children were present with Holmes in the city. He traced the departure of Mrs. Pitezel and the two children, how Holmes had left

the city and stayed with his supposed wife for the weekend in Niagara, but of the children Nellie and Etta there was no trace after Toronto. He went to every hotel in the city until he discovered where the two girls had lived. From there they were taken away by Holmes and had disappeared.

Detective Geyer struggled to find a clue, while the authorities at home decided it was fruitless and he had better be recalled. "Give me another week. I am certain they are in Toronto," he urged.

So he gained a week's respite, during which he visited all the estate agents, giving them a description of Holmes and asking if they had let a house to anyone answering his description during the previous October. At last he found an agent who had let a house on the outskirts of the city.

Hurrying there with a detective from the Toronto police force on July 16, 1895, Detective Geyer entered the little house. Beneath it was a cellar-like place not much more than a yard high and here the detectives uncovered the bodies of Nellie and Etta buried in quicklime. Both children had been poisoned by prussic acid.

On July 17th the news flared up in the papers. "Bodies of the Pitezal Children Found."

The poor mother was frantic. By now the police were convinced of her innocence and she had been at liberty since June 21st.

As for Holmes, when he read the news in his morning paper he grew white and silent. For the first time since his imprisonment he refused to talk. Not a word would he utter. His glib tongue was stilled by the thought of impending doom.

The news spurred the Chicago police to make renewed efforts to trace Mrs. Conner and her daughter as well as Miss Williams and the other women who had vanished so

mysteriously. Calling on two men named Quinlan and Doyle, who had been employed by Holmes in Chicago, the police invited them to go to the police station. There they went into what the American newspapers described very graphically as "the sweat box," while the police shot a barrage of questions at them. The wives of the two men were seized and subjected to just as rigid an examination, and by playing one off against the other the authorities obtained valuable information.

A building which Holmes occupied in Chicago was given the designation of "the castle." Immediately outside the door of the office which Holmes occupied was what appeared to be the entrance to a lift, but it was just a fake that covered a secret stairway leading straight down into the cellar or basement. According to his landlady, he spent hours digging in the cellar. The police found out also that a firm had fitted up for Holmes a special furnace down there with a burner that developed a heat of over 2,000 degrees.

Taking pickaxes and spades, the police started to dig in the cellar and on July 24th they began to uncover rib after rib buried in quicklime. The top of a table stained with blood was revealed.

These grim relics made the police determined if necessary to pull down the building to discover what else lay hidden within the walls. A chance remark by a bricklayer put them on the track of a secret vault in the cellar, and when it was opened there were the remains of two persons lying side by side in quicklime, with just the matted hair to suggest that Minnie and Nannie Williams had been traced at last. Nor was that all, for the bones of yet another victim were brought to light.

Even then the terrible tale was not ended. The police found that Holmes, with an audacity which is unique in the annals of crime, had advertised in October 1892 for a

machinist, who was competent to set up skeletons. To this man Holmes handed the bones and skull of a body with instructions to set it up. The man, who was used to working for hospitals and schools, had no suspicions and completed the skeleton to the satisfaction of Holmes, who paid him \$36 for it. Holmes calmly sold the skeleton to a medical school, as he did another which was set up for him in January 1893. A third skeleton which Holmes handed over to be set up was never called for and it was still in the machinist's possession when he learned about the discoveries and informed the police. Who the victims were it was impossible to say, except that one was a man and the two others women.

Meanwhile Detective Geyer and Inspector Geary were still searching harder than ever for the body of Howard Pitezel. The letter in which Nellie Pitezel wrote—"Howard is no longer with us"—pointed strongly to Indianapolis as the place in which he was to be found. House agent after house agent was questioned without success. Then the investigators heard of a man who had taken a house in the village of Irvington some distance away. On their arrival they were faced with a deserted wooden cottage. Entering it with Dr. Barnhill, they found in the chimney of the stove the charred remains of the missing boy. Bits of his charred overcoat, and his shoes lying in the cellar were at once identified by his mother.

Thus, after the most brilliant work on the part of Detective Geyer and Inspector Geary, Holmes was unmasked. He was an inhuman monster, so swayed by lust and passion that he even outraged poor little Nellie Pitezel while she was staying with him in Indianapolis, so callous that human life meant nothing to him at all, murder to him was the natural way to get rid of a woman after robbing her of her virtue and possessions, the sensible way of effecting an insurance swindle.

Pitiless as these discoveries proved him to be, the authorities were resolute to give him a fair trial. He was imprisoned in Philadelphia, while the bodies of his victims had been discovered in Canada, in Indianapolis and in Chicago. Before he could be tried in these other places, he would have to be extradited. But the police now had evidence that the body found in Callowhill Street was that of Pitezel, and they brought Holmes to trial before Judge Arnold on October 28, 1895, on a charge of murdering his one-time partner.

The trial was full of sensations. In the first minutes the attorneys for Holmes applied for an adjournment just to gain time. Directly the judge refused, they withdrew from the case and walked out of court. Quite at his ease, Holmes announced that he would conduct his own case. He catechised each man put up to serve on the jury, asked about his health and his hearing, whether he was married, or connected with an insurance company. To one after another he objected, forcing his point on legal grounds just to take up the time of the court, but at length a jury was sworn in, after eighteen jurymen had been rejected by the prisoner.

At the end of the first day, when Attorney Graham had outlined the case for the prosecution, Holmes went back to his cell, furnished with paper and books and reports so that he could prepare his defence for the next day. All day on October 29th he conducted his case with great skill. His cross-examination of the medical men who examined the body was astounding. He showed an uncanny grasp of legal points, strove tactfully and politely to get the doctors to make admissions that would point to suicide, he went into the effects of chloroform on the human tissue with such science and precision that by the end of the day the judge was addressing him as "doctor."

The prisoner swore that Pitezel committed suicide, that he had found him in an upper room six hours afterwards and had brought him down the stairs into the lower room. The facts were against him. If Pitezel had been lying dead in the upper room for six hours, his limbs and muscles would have been set rigidly, and he could not have been brought down and laid out as he was found. He was lying easily on his back, one arm down at his side, and the other folded over his breast. He must have been placed like that directly he died. The pipe that was supposed to have fallen from his mouth could not have done so, because the stem was an inch too far under the arm than it would have been if it had fallen. As for Pitezel killing himself by taking chloroform, there was a point, overlooked by Holmes, which disproved it utterly. If Pitezel had taken chloroform before he died, all the lining of his stomach would have been inflamed, for the cellular defences of the body would have rushed to counteract the poison. The fact that there was no inflammation, proved that Holmes injected the chloroform into the stomach after Pitezel was dead.

It is worthy of note that although Holmes was such an inhuman monster, the judge was so scrupulously fair to him that he would not permit the prosecuting attorneys to bring in any evidence concerning the finding of the bodies of the Pitezel children. He pointed out that he was being tried for the murder of Benjamin Pitezel and not for the murder of the children. He knew, of course, that the Toronto and Chicago police had already issued warrants against Holmes for murder, so there was not much chance of the scoundrel escaping.

On the third day Holmes allowed his attorney to come back and conduct his defence. The prisoner, black-bearded and suave, leaned back in his chair, taking notes and discussing legal points with his attorneys until the

trial drew to its close on the Saturday evening, after lasting for six days. Five minutes after the jury went out they reached their decision of guilty, although they waited for three hours discussing the astounding revelations before they returned to court so as to avoid any appearance of having given the verdict too little consideration.

While the jury were away Holmes tossed pennies to see what his fate would be. Heads meant his acquittal and tails conviction. Notwithstanding that heads came up nine times and tails only once, he was very sick on the way back to the court-room.

Despite the horrible tale of slaughter which marked his career, he had the audacity to appeal on various points of law. His appeal flared up into an instant sensation, for one of his attorneys, Mr. Shoemaker, brought forward an affidavit from a woman who swore that Pitezel had told her he was going to commit suicide.

At once Attorney Graham got up and proved that the affidavit was false. It was dictated days previously by Mr. Shoemaker, who employed a detective to find a woman to sign it. With the typist and detective and the woman all affirming the truth of this, Mr. Shoemaker, turning very white, did not know what to say.

The judge promptly ordered him to be arrested until a bail of \$1,500 was forthcoming, an incident that set Holmes laughing with merriment. It did not matter a scrap to the prisoner that Mr. Shoemaker had jeopardized his professional career in an effort to help him.

The man was a strange psychological puzzle. His ferocity was covered up by a great personal charm which enabled him to win the confidence of almost any woman he fancied. His utter callousness and cleverness was never better exemplified than when Miss Yoke walked to the witness stand to give her evidence.

"Now I will start the fount of emotion," he said in a jocular aside to one of his attorneys, and at once began to weep and sob and lay his head in his arms in a state of collapse. The judge and jury and prosecuting attorneys were all surprised and concerned. It was the first time the prisoner had shown any feeling during the trial, and it was all the more telling in view of his previous calm and polite manner in court.

It was, of course, sheer acting with the intention of compelling Miss Yoke, who had shown a strong affection for him, to break down and refrain from giving her evidence. But in this he failed. She described how he was absent from morning to late afternoon on September 2nd, when he murdered Pitezel, and how when he returned his undershirt was wet through with perspiration. His orders to her to pack at once because they were leaving Philadelphia by the evening train explained everything.

How many murders he actually committed remains unknown. While he was in prison he wrote a sensational account of his life which he smuggled out of the prison to a printer. It was set up and published in book form, and in a letter to the man who published it he disclosed a remarkable grasp of publicity values and gave the most minute instructions as to how the sales could be pushed. The confessions he wrote were naturally contradictory to meet the needs of the moment, but in one he admitted that he had committed twenty-seven murders.

Whether this was true or not, nobody knows. A number of girls who associated with him in Chicago were never seen again; the remains of eight victims were found by the police of Chicago, and then there were the three Pitezel children and Mr. Pitezel, which made it certain that he had committed twelve murders at least.

There is no doubt that he planned to wipe out the whole Pitezel family. In one of the houses to which he

took Mrs. Pitezel before his arrest, she came on him digging a hole in the cellar and asked him what he was doing.

"Go upstairs," he called out to her in angry tones. She went, but the grave in the cellar remained empty.

Another time he wrote a letter asking her to carry a certain jar to the top of the house. It contained nitroglycerine and apparently he had some scheme for blowing the house and all inside it to pieces.

The last afternoon that Mrs. Pitezel was in Toronto she came unexpectedly upon Holmes in a big store. He seemed very startled at seeing her, and told her she must pack at once as they were leaving that night.

"I've to call for something in the basement, I won't be long," he said and went off. They waited a long time, before going to find him in the basement of the store. As he was not there, they went back to the hotel and packed.

During that interval he must have gone back to finish burying the bodies of his two little victims, whose mother gave him such a shock when she came upon him unexpectedly in the store.

At least two lucky people whom he had marked down as victims escaped the end he had planned for them. One was a man who had lent him \$2,500. Holmes tried all he knew to induce this man to go up on the roof of the house with him, when there would undoubtedly have been an unfortunate accident, but the man refused. Failing in this, Holmes persuaded him to stop the night as his guest, and during the night the guest heard someone trying the handle of the door.

"Who's there?" he called.

It was one of the thugs employed by Holmes. "Let me in. I want to come in and sleep with you," said the man outside the door.

"You can't come," said the creditor, who was

thoroughly on his guard by now. Had he opened the door, there is no doubt that he would never have been seen again.

Another lucky person was the prisoner's laundress in Chicago who not only told of the blood-stained garments she had washed, but mentioned that Holmes had persistently tried to induce her to insure herself for \$10,000. He offered to give her \$6,000 on the spot and pay all the premiums if she would do this and make the policy over to him. But she, very wisely, refused.

On March 5, 1896, Governor Hastings signed the death warrant of Herman W. Mudgett, *alias* H. H. Holmes.

The prisoner remained unmoved and unworried. His sleep was quite untroubled the night before his execution. On the morning of May 7, 1896, he rose and took a good breakfast.

"Look at that! I'm not a bit nervous," he said to his attorney, stretching out a hand that displayed no sign of a tremor.

Even at the end he took a delight in spreading lies and confusion, for on the scaffold he said to the waiting Press representatives, "I only wish to say that the extent of my wrongdoing in the taking of human life consists in having killed two women that have died at my hands as the result of criminal operations. I am not guilty of taking the life of any of the Pitezel family, of the three children or of the father Benjamin F. Pitezel of whose death I was convicted and for whose death I am now to be hanged. That is all I have to say."

For two minutes he knelt in prayer with a priest.

"Don't be in a hurry, Aleck. Take your time," he said in a friendly tone as the hangman started to pinion him.

A minute later he was dead.

To Detective Frank Geyer, who ran him to earth, he frankly confessed to the murders.

It seems that while he was plotting with Pitezel to swindle the insurance company by substituting a body for that of his partner, he was determined that the time had come to get rid of Pitezel, who knew too much. As soon as Nellie Pitezel saw that her father was dead, it was impossible to allow her to join her mother again, for she would have told her mother the truth, so it became essential to do away with the daughter. Because the girl must have told her sister and brother that their father was dead, he had to silence them also to avoid discovery. And he aimed to wipe out Mrs. Pitezel and her other two children without pity to prevent her from informing the police that her husband and three children were missing.

He was devoid of scruples. All the time he was skating on thin ice and seemed to enjoy it. He was a master of subterfuge, of keeping people within easy reach of each other without letting them know anything about it. More than once he had the children staying a street or two away from their mother, and some of their letters were written to her when she was practically within call, yet he shepherded them so carefully that they were never allowed to come on each other unexpectedly.

Had he concentrated on medicine, he might have become one of the outstanding figures in the medical world, if he had adopted law it was in his power to become one of the shining lights of American jurisprudence. Instead, all his brilliant qualities were turned to crime and he came to the gallows, as he deserved.

This farmer's son with a warped brain must rank with the most cunning swindlers and callous murderers who ever lived.

CHAPTER III

THE HARRIS FIRE CONSPIRACY

THE tendency of the average man who heard that Jews were wandering about the country raising fires would be to regard the story as a variation of the old joke and leave the fire-raisers to go on lighting fires in peace. Fortunately for the insurance companies and underwriters, Mr. William Charles Crocker was not the average man. He was a solicitor who specialised in sifting the claims made against underwriters and insurance companies, consequently the trickery and knavery revealed by his logical mind made him realize that there is no smoke without fire and that even a jest may contain the germ of truth. The ultimate result, as the whole world knows, was the sensational fire conspiracy trial which flared up on July 4, 1933 and raged for thirty-three days at the Old Bailey at the end of which time Leopold Harris was sent to fourteen years penal servitude and his fellow conspirators both Jew and Gentile to varying terms of imprisonment.

Let there be no mistake about the intelligence of Leopold Harris. He was a clever man, with all the acumen of his race developed to an exceptional degree and such an extraordinary memory that it remains a source of wonderment to those who laid him by the heels. The fire-raising activities of Harris were necessarily of the most intricate character, so involved that it seems impossible for anyone to follow them through all their ramifications without copious notes or books for guid-

ance. But Harris had such a prodigious memory that he could recall at will the most trifling things about all his activities.

When he went to prison and made up his mind to purge his soul by disclosing all he knew to the authorities, he was asked many questions that were designed to give enlightenment on some aspect or other of his operations. Without anything to guide him but his memory he could reply with unfailing promptitude. Sometimes his replies were too incredible for the authorities to believe, but never once when they came to test them did they find him wrong.

From the time of his birth he was brought up in an atmosphere of fires. His father was an insurance assessor with a good business in the city of London, a business that was run with all the intelligence that its owner could command and such integrity that no word could be said against him. As naturally as water gravitates to the sea, Leopold Harris began to take part in his father's business directly he left school when he was barely sixteen. He went round with his father to fires, was initiated into the art of assessing honest losses, learned what to expect and what to look for when he was making out the claims of clients. Fires to him were thus an everyday occurrence, as natural as the sunrise in the morning or the budding trees in the spring. Bringing all his intelligence to bear on the business, he was soon competent enough to assess claims alone, and in the fulness of time his father retired, leaving Leopold Harris and David Harris to run the business in partnership.

Competition in that line was fierce, but young Leopold Harris was quite capable of looking after himself and holding his own. His turnover increased enormously. He was the essence of tact in dealing with the insurance companies, and there was no keener eye than his in noticing

losses that the owner, owing to the stress of the moment, had overlooked.

If Leopold Harris had chosen to go straight, there seems to be no reason why he should not have enjoyed a fine income from an honest business for the rest of his life, for he was an expert assessor who pleased his clients by the settlements he made with the insurance companies. He was astute enough to gain the co-operation of many men in various positions who advised him immediately a fire broke out, so that he could dash to the spot in his car and get the business of assessing the loss. He was always careful to see that any services in this way received a suitable acknowledgment. Some were remembered at Christmas when nice turkeys or boxes of cigars arrived with the compliments of Leopold Harris, others received presents of money, one or two men in the salvage service who kept him advised of fires were in receipt of regular retaining fees. His organization coupled with his keen business instincts ought to have assured him an income big enough to satisfy his own ideas of comfort.

That he was not satisfied by an honest income is well known, but it is impossible to state when he first departed from the path of rectitude and started to despoil the Christians, otherwise the underwriters and insurance companies.

It is worth while touching on the early claims he made for his own losses, because they are not without interest. During the war, when the British and French were fighting for life against the Germans on the Western front, Leopold Harris lived at Queen's Road, Southend. In June 1916 it was said that someone tried to burgle his house—without success. Two months later, in August, another attempt was made and this time Leo Harris put in a claim for £82 8s. He decided in the end to accept £38, and the insurance company thought it better to cancel his policy, which they did.

Leopold Harris sought to lay the blame for these attempts upon a man who had been in prison, but this man was quite innocent, for his whereabouts were known and proved on both occasions.

It happened that some time before this burglary took place, Mr. and Mrs. Harris were away from their home when a friendly neighbour chanced to see a light in a room. Knowing that the owners were absent, the neighbour concluded that something was wrong and called the police who guarded the house to capture any malefactor before making an entry.

They found the house was empty; but in the room where the light flickered there was a candle stuck in a cardboard box and surrounded by rags soaked in paraffin.

It is not known whether Leopold Harris thanked the neighbour for taking such a kindly interest in his affairs and saving his house from being burned down.

Five years passed. The war ended, and Mr. and Mrs. Harris now resided in Alexandra Road, Southend. Mrs. Leopold Harris was advised that the salubrious air of Southend no longer suited her and that it would be wiser to make a change, so in March 1921 Leopold Harris and his wife went to live in Maida Vale. Here they resided for some time, leaving their house in Alexandra Road shut up. As Mrs. Harris's mother, who was known as Mrs. Kay—her real name was Kalisky—also lived in Southend, she was able to keep an eye on the house for them.

With the advent of warmer weather Leopold Harris decided to return in May to live in Southend, so his mother-in-law was asked to go in on May 10, 1921 to prepare the house. When Mrs. Kay called round in the afternoon she found the whole place upside down. Bedroom furniture was smashed, the drawing-room door damaged, while things were scattered about and des-

troysed without reason. The police came, Mr. and Mrs. Harris returned home, the lady promptly fainting when she saw the mess the place was in. Mr. Harris, picking up a chisel in the hall, handed it to the police as the implement with which the burglars had made their entry. It fitted all right into the slight mark that was made near the lock of the front door, but Superintendent Crockford saw at a glance that the door could not have been forced without leaving a much deeper mark—the impression was less than an eighth of an inch deep.

Then Mr. Harris pointed out a mark on the drawing-room window and suggested that the burglars had entered that way. The police opened the window and looked out. There was a flower bed below without a trace of a footstep upon it, there was not a mark on the outside of the window. When they came to examine the drawing-room door they were forced to conclude that the burglary was a put-up job.

Nevertheless Leo Harris duly sent in two claims, one against Mr. A. L. Sturge, a Lloyd's underwriter, for £122, for the loss of some jewellery belonging to Mrs. Harris, the other in Mrs. Harris's name claiming £775 for loss of clothing and damage to furniture from the Eagle Star and British Dominions Insurance Company. Naturally the claims were resisted, with the result that Leopold Harris brought an action which was heard by Mr. Justice Branson on January 11, 1923.

The facts were so unfavourable to Leopold Harris that his persuasive tongue was powerless against them. The police proved that the lock of the front door showed no indication of having been forced, and it could not have been forced without making a much deeper mark than that which was left. No burglar would go to the trouble of faking evidence that the door had been forced. There would be no sense in it.

As for the drawing-room window, the marks on it were made from the inside, and the absence of any trace of a mark on the outside of the window and the window sill, as well as on the flower bed below precluded any possibility of a burglar having entered that way.

But the most significant marks, as well as the most damning, were those on the drawing-room door. It was damaged from both sides. It may have been necessary to force the door to get into the room, but it was certainly unnecessary to damage the door to get out. If the burglars had forced the front door, they would have damaged the drawing-room door by forcing it from the hall side; if they had come through the window into the room, they would have damaged the door by forcing it from the inside, but whether they broke into the drawing-room or broke out of it, they would not have damaged the door on both sides.

"I do not attempt to be able to assess what amount of damage a burglar would have to commit to get such a door open," said Mr. Justice Branson in his judgment, "but when one finds that the weapon was used both on the inside and outside of the door, then one begins to feel that it may well be that, whoever planned this business, first thought that he would leave traces to show that the burglar had got in through the window and then into the hall, and then changed his mind and thought, 'No, it would be much better if he came through the front door.' And then you find marks on both sides of the door."

The burglars certainly had a good time, for they left empty wine bottles and glasses on the kitchen table, but their blunders lost Leopold Harris his case.

From that time he became a marked man in the insurance world. His business began to suffer. No honest man who knew what had happened would employ him to

assess a loss when there were assessors of unimpeachable integrity available. Honest men who were ignorant of what had happened continued to provide him with business, but it can be imagined how his claims were scrutinized.

In these circumstances, with legitimate business decreasing and his difficulties increasing, he determined to devote his talents to committing arson on a scale undreamed-of in the insurance world since insurance began. There would be no foolish blunders, no claims for trifling sums, but real big fires which he would arrange and real big claims which he would present and force the companies to pay because his subtle mind would plan things so cleverly that there would be nothing the companies and underwriters could seize on in order to escape their liability.

The lesson of the burglary claim that failed was not lost upon Mr. L. Harris. He saw that to make a big business out of fraudulent fires he would have to be extremely wary and get other people to act as figure-heads while he pulled the strings. He felt that there was not much danger if he assessed the claims, because assessing claims was his profession, as all the insurance people were aware, but that it would be much too dangerous for his name to be associated in any way with a business that was burned. He calculated that he could direct and finance operations with impunity so long as he was careful enough to prevent anyone from finding out that he was interested in the place that was set alight.

In a way, everything was in his favour. The insurance companies and underwriters do not open their hearts and books to each other and wax confidential over the business they are doing. They work on their own lines and what they do is their own concern. Generally they act as independently of each other as do all the shop-keepers in London.

In the business world there are one or two organizations who specialize in keeping track, so far as they are able, of the people who get a living by swindling shopkeepers. These swindlers are always the most plausible people with most attractive ways and it is generally when they have got well into debt that the tradesmen become nervous about payment and make inquiries. But these people who go about stealing the goods of tradesmen—for that is what it amounts to—can change their names as easily as they change their lodgings. How is the protection society to know that Mr. Jones who swindled Mr. Smith the grocer in one district is the Mr. Smith who swindled Mr. Jones the grocer in a district two or three miles away? Obviously one grocer cannot warn the other, because the first grocer has no idea where the swindling customer has gone. It is thus possible for the swindler to work district after district and town after town for years without being caught.

Insurance companies and underwriters are also very numerous, with agents and representatives all over the place. They are all anxious to do business, just like the tradesmen. They earn their dividends and livelihoods out of the premiums they receive, and while they would promptly refuse to do business if they had the slightest suspicion that some fraud was being planned, they are not bent on turning good business away. They live by taking risks that other men do not wish to carry; where rates are not fixed, they compete with each other and undercut each other in quite the commercial style.

Leopold Harris knew this quite well. This very lack of unity placed the insurance world at his mercy. He had merely to start businesses in various towns and cities, take out good insurance policies, burn the stock and premises when the time was ripe and draw the insurance

money. He could handle the claims all right, none better; so long as he could find men who had nothing against them to act as the ostensible owners of the condemned businesses he had little to fear.

His reasoning was sound. If only he had taken into account the swift reactions of the Italian temperament he might have amassed an immense fortune by his frauds and retired a very rich, and much respected, citizen.

It is difficult to single out the first case in which Leopold Harris made his bow as a fire-raiser. This is not to be wondered at when we bear in mind that he used all his intelligence to make it impossible ever to detect anything at all. Perhaps the best way of gaining a fair idea of the great conspiracy is to watch how the case unfolded to Mr. William Charles Crocker.

The solicitor who vanquished Harris has a pleasant, friendly smile, a quiet voice and a charming manner that could hardly fail to win the confidence of anyone with whom he came into contact. His personal attitude toward people played an important part in the downfall of Harris.

But something more than an agreeable manner was needed to bring Leopold Harris to book. Behind his smile Mr. Crocker concealed an extremely logical mind that was capable of deducing the truth from facts; he had the ability so to arrange his facts that they made the truth manifest to anyone who saw them; and he had the patience to collect the facts and select those which really mattered.

His friendliness masked an unusually clever mind that could see a point quicker than most, yet with all these attributes, as well as one or two others such as determination, unremitting toil and exceptional organizing abilities, a spice of luck was essential to enable the solicitor to triumph.

Mr. Crocker had to exercise all his patience before the luck ran his way. Occasionally he would be asked by one or another of his clients to deal with a claim to which the name of Leopold Harris was attached as assessor. Mr. Crocker asked Mr. Harris all sorts of questions and was given all sorts of answers that were designed to satisfy him. Instead of doing so, they made him more and more convinced that a swindling racket was being carried on. But there was nothing that he could produce to prove it, no tittle of evidence that would convince a judge.

Meanwhile Leopold was reaping fortunes from his fire-raising activities. He seemed to have no difficulty in securing men to carry out the plots. His brother David was not averse to putting up a little money to finance a shady venture if only the profits were big enough, while his sister's husband, Harry Gould, who had been known in his earlier years as Goldstein, was peculiarly fitted to play a part in the organization, inasmuch as he gained a livelihood by dealing in goods that had been damaged by fires. His auction rooms were in Wilson Street adjacent to the business address of his brother-in-law. Leopold Harris, who financed him secretly, thus found it easy to obtain from Harry Gould damaged goods that could be faked to look from the outsides as though they were worth thousands of pounds when they were worth at most a few hundreds.

One method of faking things was to trim off the singed edges of bales of silk and rewrap them in clean paper. When these goods were packed in the showroom or store, there was nothing to indicate to the eye that they were not what they were represented to be. There was one case, however, in which this cunning game was given away completely by an assessor for a company. Going to the scene of one of these fraudulent fires, he

happened quite by accident to tear the paper wrapper of a piece of silk that lay undamaged in the debris and to his amazement saw that the silk itself was burned, although the paper bore no signs of fire. It was one of the bits of evidence that helped to bring the fire-raisers to gaol.

Another helpful friend of Leopold Harris was Louis Jarvis who had changed his name by deed poll from Jacobs. Soon after the war a young Italian named C. V. L. Capsoni had arrived in London to represent an Italian firm of silk manufacturers, and in the course of travelling for orders he met Mr. Jarvis to whom he sold silk worth thousands of pounds. Capsoni found it was easier to sell the silk than to get the money, for Mr. Jarvis found considerable difficulty in meeting the bills as they fell due. On top of it came a fire in Margaret Street which the Italian thought must have ruined his customer completely.

Capsoni, who was rather concerned, went round to express his sorrow at the misfortune that had overtaken Jarvis.

"It's quite all right. I'm well insured," remarked Jarvis, with a complacent smile.

As that fire brought in £15,000 for settlement of the claim, we may assume that made it quite all right for Louis Jarvis. Anyway, Capsoni won the confidence of Jarvis, who, after one or two skilful approaches, found that for a consideration of £1,000 the Italian would be perfectly willing to stage a fire to swindle the insurance companies.

Once Capsoni had made up his mind, he did things thoroughly. There were no half measures with him. If he decided to help a person, he made that person's cause his own and pursued it with all the ability of his agile mind. Nothing could have been more valuable

from Leopold Harris's point of view. What the latter overlooked was that temperamental people of that sort may swing to the other extreme.

Directly Louis Jarvis had assured himself that Capsoni was a safe man to work with and that the Italian would not give the game away, he introduced him to Leopold Harris, who was financing the fire. Harris, after discussing details of the plot and the name under which the concern should spread its welcome glow upon the world, impressed on Capsoni the need for keeping his association with the affair a secret.

In June 1925 the *Fabriques des Soieries* was registered, with Capsoni and Louis Jacobs, otherwise Jarvis, as directors, and Capsoni went off to Manchester, which was selected as being the most favourable city for their venture, and looked round for suitable premises in which to stage the fire. He settled on a place in Deansgate. Then the plotters picked up on the continent a lot of silk that had already been damaged by fire. It cost them between £3,000 and £4,000, and on receiving it in Manchester Capsoni fairly gloated over the lengths of lovely ninon that he displayed so attractively about the showroom. To put a flame near such light and airy fabrics was to court disaster. The other bales and boxes were packed on the shelves in such a way that the flames would be able to eat them up without difficulty once the place was well alight.

Associated with Mr. Capsoni in the enterprise was a Mrs. Bing who was prepared to back him through thick and thin in all the ups and downs of life. She had no more scruples in setting fire to a building than Capsoni had, the only thing they were scrupulous about was to see that the job was done artistically and safely. Capsoni himself, with an excellent eye for colour effects, draped the silks in long festoons over various stands. Mrs. Bing,

the secretary, added a feminine touch to the showrooms to give the impression that the business was genuine. When Capsoni had fitted out the place and dressed it, he was so pleased with the general effect that photographs of it were taken to show Leopold Harris what it looked like.

They managed to insure the stock for £40,000 with another £20,000 for consequential loss. The whole plot was worked out with the greatest of care. It was decided that Jarvis should be in London when the fire broke out. This would entail a telephone message, and as it might be indiscreet and very difficult to tell the truth without giving themselves away, they arranged that a horrible fire would mean a roaring success, a terrible fire was to signify a semi-failure while an accident would indicate that something had gone wrong.

They discussed at length the best method of setting the place alight, and Capsoni decided that the safest plan would be to ignite some celluloid trays which would blaze up with an explosive intensity in a few seconds. Before that took place, however, it was essential that he should be safely out of the way, which meant finding something that would burn quite slowly in the most unobtrusive fashion for about a quarter of an hour. Revolving the subject in his mind, he went off and bought some candles, one of which he lit and allowed to burn until fifteen minutes had elapsed. Having discovered the correct length of candle, he carried out an experiment in a pail one evening to make sure that the candle would ignite the trays. Jarvis and Mrs. Bing watched the candle burn down. A bucket of water was in readiness to swamp the flame if it got out of hand. It would have been a disaster if their experimental fire had burned down the place too soon.

"We'd better clean the pail in case the charwoman



Leopold Louis Harris, the head of the arson gang, at a fire. The widespread frauds which he engineered cost the insurance world over £200,000.

suspects anything," said Jarvis after the experiment and Mrs. Bing did so.

Capsoni's mind was inclined to be scientific. He did not wish to leave anything to chance. He even experimented to see if the light of the candle would be visible when the blinds were down and the building closed.

Reassuring himself and the other plotters on these points, he waited until the place was empty on November 7, 1927, and then cleverly fixed a candle with two of the highly-inflammable celluloid trays at its base. Catching up the various lengths of ninon, he mixed the ends up with the celluloid trays and draped long trails of silk in all directions so that they would conduct the flames all over the stockroom and create the biggest possible fire in the shortest possible time. Then he quietly lit the candle, called at the Midland Hotel so that he could prove if necessary that he was off the premises before the fire broke out, and went to the house where he was staying with Mrs. Bing.

Leopold Harris, who was already installed in the Midland Hotel in anticipation of the outbreak, slipped down the hill to Deansgate when the firemen got busy. The fire was going well when he arrived, but he was most careful not to skip any of his usual procedure. Inquiring for the name and address of the owner of the business, he made a note of it in his book, before driving in a taxicab to Capsoni's address.

The Manchester firemen were quicker than Harris and Capsoni gave them credit for. By the time the two plotters arrived back in Deansgate the fire was swamped and the firemen were rolling up the hoses. Harris in the first flush of disappointment took comfort in the fact that the premises and the surviving stock were also swamped, while Capsoni, with a fireman wedged beside him in a telephone box, rang up Mr. Jarvis in London

and told him sadly that there had been an accident.

It was obviously impossible to claim for a total loss, but Harris did the next best thing and managed to make out a claim for £32,000.

A week after the fire Capsoni went round to the house of Louis Jarvis in Deerpark Road, Brondesbury, where he sat down with Jarvis and Mrs. Bing to forge and fake the necessary invoices to substantiate the claim. They were all busy on the job when Harris entered with a smile. "You are fools to work like that, for everything has been arranged. I've settled for £29,000," he announced.

Of this sum, Harris pocketed £8,000, Jarvis took £7,618, David Harris got £1,000, while Capsoni received £1,048 and went off to enjoy himself on the Continent. The stock and other expenses accounted for several thousands more—if there were any other pickings, we can be sure they did not long go unclaimed.

Directly the claim was paid and the business at an end, the plotters prudently made a bonfire of the books and documents relating to the company. They were all elated at their success and for the moment could take things easy. Jarvis, however, made one big blunder; he took to his home the confirmatory book, a pattern book showing the true snippings of materials and quantities bought for the firm, and it was discovered among his effects by the police after his arrest and completely bowled him out.

Nearly a year after their coup in Manchester, they tried to bring off another at Basinghall Street, Leeds. Mrs. Bing this time acted as the figurehead, the business being decked with the attractive title of The Continental Showrooms. It was stocked with some flash stuff and showy glass bought by Capsoni abroad and opened to the admiring eyes of the ladies of Leeds in October 1928.

Mrs. Bing, who was charged with the task of insuring the stock, managed to obtain a cover note for £15,000, much to the delight of the plotters. But the day before the cover note expired and the policy was due to be issued, the insurers refused the proposal. This was an unpleasant blow to the Harris gang, but Mrs. Bing tried again and succeeded in insuring the stock with the Norwich Union for £6,300.

The fire came off on February 18, 1929, but it proved a nasty set-back for Mr. Leo Harris. With their usual acumen, the gang had sent Mrs. Bing off to hold an exhibition of her wares in Harrogate and so provide an alibi if awkward questions were asked. Meanwhile Capsoni lit the place with his usual artistry by the tray and candle method; but Mr. Harris failed utterly to get the better of Mr. T. Waddington, a very frank and keen-eyed Yorkshireman who acted for the Norwich Union, and all the plotters managed to obtain, after considerable trouble, was £3,350, which was barely sufficient to pay for the stock, let alone the other expenses.

In the circumstances Leopold Harris decided to try a fire in London, leaving Capsoni to select the premises and start a wholesale silk company under his own name. Owing to an inexplicable lapse, Capsoni took some up-to-date premises in Regent's Arcade, Regent Street. They were built of concrete and stone and were as fireproof as the architect could make them, being fitted with sprinklers that came into operation if a fire broke out. He realized at last that a fire there was impracticable, and Capsoni and Company ceased to occupy the premises and the plotters cut their losses.

The mantle business of Cohen & Company had meanwhile passed into the secret control of Leopold Harris who considered it an ideal business for his next fire. As the name might arouse suspicions, he arranged for it

to be altered to Alfred Alton & Company, a change to which Mr. Bowman the managing director was quite agreeable. A few judicious inquiries on the part of Leopold Harris had revealed that Mr. Bernard Bowman would be a willing ally in a profitable fire, but as Mr. Bowman's skill in starting a fire was an unknown quantity Harris detailed Capsoni, whose skill was beyond question, to make the necessary arrangements to fire the Manchester branch of the firm, in Lever Street.

So far as can be gathered, it was at this time that Capsoni began to take umbrage against Harris for setting Mr. Bernard Bowman to supervise expenses. Matters were further complicated by Mr. John Smith, the manager of the Manchester branch who was a Lancashire man just as blunt and honest as any man could possibly be. The plotters dared not give him an inkling of what was afoot and they had to use considerable guile to mislead him. Mr. John Smith was the soul of integrity, out to sell goods and not to burn them, and he protested so strongly at some of the junk that was unloaded on the premises that Mr. Bowman was forced to tell him to mind his own business.

When Mr. Smith was instructed to insure the stock for £10,000, with a further £5,000 for consequential loss, he looked at his chief in amazement. "Why, you must be mad!" he protested.

Such a man was too much of a menace to have about the premises when the plot was due to be carried out, so Mr. Bowman concluded that the safest thing to do was to send his manager away for a holiday, which he did.

On July 23, 1929, Mr. Bowman handed the keys of the premises in Lever Street over to Capsoni who, using his usual method, unobtrusively lit the fire and withdrew. It was a fierce flare-up, and Harris, who was waiting in Manchester for the call, went along to act as
essor.

The man who acted for the company was a Mr. Satterthwaite from whom Mr. Harris expected no trouble. He had reason to be hopeful, for he had seen that a lovely squirrel coat valued at £65 had been packed and sent round to the left-luggage office at the railway station, so that Mr. Satterthwaite could call for it as soon as the receipt came to hand. It is therefore not surprising that the plotters received a cheque for £9,000 in settlement of their claim. That contact with Mr. Harris was fatal to Mr. Satterthwaite, for after the round-up of the gang the police called to question him, and the next morning he was found dead in his garage with the engine of his car running and pouring carbon-monoxide into the place.

Harris, congratulating himself on a profitable job well and neatly carried out, was content to see Alfred Alton & Company slide downhill into the bankruptcy court. The firm had served his purpose and was doomed to die. Quite unexpectedly, in its death-throes, it became a dreadful menace, and the awkward questions of the official liquidator threatened to expose the whole plot. The only way Harris could see of saving the situation was to put forward an offer for the assets of the company through a nominee. The first offer of 10/- in the £ was not considered acceptable by the official receiver, so Harris was obliged to increase his offer to 15/- in the £. Thus for £1,450 he purchased the assets of his own firm from himself and allowed Alfred Alton & Company to expire in peace without officials asking nasty questions and delving too deeply into the manipulated books. The way he handled this affair by the correct legal methods to stall off inquisitive officials gives some idea of the cleverness of the man who was dipping so deeply into the coffers of the insurance world.

After sharing out the spoils of the Manchester fire,

Harris reverted to the idea of a fire in London and instructed Capsoni to make the necessary arrangements, adding a warning against selecting fireproof premises for the operations. The Italian heeded the warning, not that he needed it, for the error of choosing the Regent Street place was one that offended his spirit, he regarded it as a slur on his capacity, as indeed it was. Wandering through the West End to spy out suitable premises, he came to 185 Oxford Street, and browsed around, casting an expert eye on the possibilities of the building for his particular purpose. It had much to recommend it. The upper part was always vacated about six o'clock by the other occupiers so there was little likelihood of being disturbed while he was setting fire to the place, and there was no risk of burning anyone to death. The addition of a wooden partition or two would from his point of view be a decided improvement in adding fuel to the flames.

Telling Leopold Harris of his find, Capsoni began to lay his plans for his fifth fire. About this time he married Mrs. Bing and the pair went about their preparations for burning the place in the happiest frame of mind.

The name of the Franco-Italian Silk Co. went up boldly on the fascia of the shop, and workmen with hammer and saw began to fit up shelves and racks for the goods. The stock was a lot of singed silk and other junk that had survived one or two fires; but it was most carefully wrapped in clean paper to give the impression that the bales of silk had just arrived from the factory at Lyons or elsewhere. In some cases the ends of the bales were exposed, after being cunningly trimmed to show no signs of the damage from which they were suffering.

Something between £2,000 and £3,000 was spent upon the stock that was to be burned—to stage a fire properly costs almost as much as staging a straight play

in a theatre—and Capsoni and the other plotters sat down to wait for time to pass. It would have been too risky for them to burn the place directly it was opened. They were obliged to give the impression that the business was a genuine trading concern, so they conscientiously paid the rent and other expenses and waited for the moment when they could recoup themselves for their outlay.

The stock was insured for £20,000 and Capsoni had the effrontery to insure against a loss of profits of £10,000 if the business were interrupted owing to a fire.

Christmas came, and Leopold Harris sent round his usual gifts to his various helpers. Early in the spring he decided that the job could safely be done. Capsoni was eager to put the finishing touch to his work and pocket his reward. Harris, however, was anxious to avoid any chance of Capsoni being seen on the premises just before the fire broke out, so he insisted that Mrs. Capsoni should light the fire.

The date finally selected by the plotters was May 29, 1930. A day or two earlier Capsoni began to add the last artistic touch that sprang from his fertile brain. It was a new partition such as you may see carpenters putting up in business premises almost any day of the week. He was most careful to carry out the hint of another member of the gang by selecting a carpenter who smoked. This time he was not only intent on burning up the stock, but he was determined that there should be a good and valid reason for the fire if any questions were asked, something that would convince the companies that it was a pure accident.

The carpenter got busy with saw and plane on the boarding of the partition. His shavings encumbered the floor in the usual manner when he knocked off on the evening of May 29th. When the building was quiet

Mrs. Capsoni slipped in unobserved, arranged the trays and candle with professional skill, lit the candle and cautiously let herself out of the building.

Then she went to the pictures in Regent Street to enjoy herself and was very upset on her arrival home just before 11 o'clock to find a policeman waiting to tell her that her husband's premises were on fire—Leopold Harris was also waiting to act as assessor!

According to the constable's report, Capsoni was almost bereft of his senses when he arrived back from the Midlands and heard the news. Leopold Harris said later that the Italian behaved so hysterically that he had the greatest difficulty in inducing him to sign the necessary papers that gave Harris power to act, and that he had to shake him savagely to prevent him from playing the fool any longer. "Stop this comedy and sign this form," said Mr. Harris bluntly.

The assessor acting for the companies was Mr. Loughborough Ball who met Capsoni at the burned-out premises on May 30th, to examine the damage for himself. His questions as to the possible cause of the fire drew from Capsoni the admission that there were workmen at work on the premises putting up a partition.

The fact that Capsoni was in Birmingham the previous day seemed to absolve him completely.

Mr. Ball, asking to see the workmen who were busy there the previous afternoon, discovered that the carpenter smoked. So the plotters used the perfectly innocent and honest working man to further their plot. They received in July and August cheques for £22,365 in settlement of their claim, and Capsoni got £2,000, Harris took £10,000, Mr. Gould was paid £3,000 and Mr. Loughborough Ball received a present of £600 from Harris.

About this time two men were being tried at the Old

Bailey for offering a bribe to an assessor, and Leopold Harris was so interested professionally that he attended the trial and heard the judge send them to prison. It was in the Old Bailey that he first shook hands with Captain E. B. Miles, the head of the London Salvage Corps, and complained that some salvage officers were obstructing his business. That meeting eventually led to Miles betraying his sacred trust. The fact that Miles associated with the Harris gang was one of the most amazing and unbelievable incidents of the great fire conspiracy.

A young army officer who had shown his courage in the war by winning the M.C., Miles was good-looking, well-groomed and very popular. As Head of the Salvage Corps, he held one of the most responsible posts in London, for he was the man upon whom the insurance companies and underwriters relied to see that they were not swindled. The salvage corps is an organization under the control of the insurance companies and underwriters who pay all the expenses of its upkeep. The duty of the men is to attend fires and preserve whatever they can from damage by fire and water in order to lessen the losses of the insurers.

At the same time the officers of the corps must keep their eyes open to see if the fire was accidental or deliberate, and the insurers look to their reports to inform them if any doubtful features have come under their notice. The London Salvage Corps may thus be termed the first line of defence of the insurance companies and underwriters, and Harris was wise enough to know that sooner or later he would certainly hear of something to his advantage if he could succeed in establishing friendly relations with Captain Miles.

Captain Miles did not object to hearing of something to his own advantage. He occupied a nice flat, rent free,

over the headquarters of the Salvage Corps in Watling Street, his salary was £1,050 a year, free of income tax. Thousands of competent men of the highest integrity would have jumped at the chance of filling his post. Unfortunately he found that his expenses outstripped his income and as he was pressed for money he decided to see whether Leopold Harris could help him. That night, after the meeting at the Old Bailey, he wrote to Harris from an address in Fisher Street:

Dear Mr. Harris,

With reference to our conversation at the Central Criminal Court to-day, I find it would be convenient to me if you could look in at this office and see me. Perhaps you will be good enough to give me a ring on receipt of this."

Harris went along to Watling Street into the very stronghold of his enemies and met with a friendly, almost a warm, reception. He feared a trap. Miles in the most delicate manner let Harris understand that money was very useful and the fire-raiser soon sensed what the other was driving at. Harris accordingly invited Miles along to a cup of tea at his house in Mapesbury Road, Cricklewood and handed over £25, arranging to pay a similar allowance once a month to Miles in return for any help and information that the head of the London Salvage Corps could give him.

Thus Harris got a grip on the man who was present at the most secret consultations of the insurance world, a man who knew and could tell him what the insurance world was going to do. The biggest sum Harris ever guaranteed to Miles was £1,000, he once gave his henchman S. Wolfe £500 in Treasury notes to pay into the account of Miles, and there were other sums, the total of which cannot be stated with any certainty.

Harris meanwhile fell in with H. C. Priest, who was at one time a fireman, and arranged with him to have a nice fire in Goswell Road. It was here that the assessor came on the piece of silk with the torn wrapper through which he saw that the silk inside was burned, although the paper was untouched. Instead of £7,500, which was claimed, Harris was glad to take just over £2,700. He gave Priest £175 for his trouble, and financed another fire for him in Staining Lane which swindled the insurers out of £7,250. Harris received just half as his share, and Priest took the goodly sum of £2,139.

In April 1931, Harris began to plan for another fire which was to be a joint effort of Priest and Capsoni. His sly sense of humour which made him adopt a fireman and his hose as a mascot for his Rolls-Royce car, was obvious when he brought Capsoni and Priest together: "Show him your card!" he said to Priest, who grinned broadly and produced a photograph of himself in fireman's uniform for Capsoni to admire.

The humour of that meeting was much grimmer than Harris realized. From the moment he introduced the two men he sealed his own doom. Capsoni had been pressing Harris for money for some time and relations had become so strained that Harris had once or twice refused to see his old colleague. The Italian resented the watch that had been set over him and the way his expenses were checked while planning one or two of the fires. It offended his sense of justice to think that a man on whom he had showered fortunes should treat him in such an off-hand manner. Nevertheless he welcomed the chance of doing another job, because money in his hands had a habit of melting.

As for Priest, he played his part in the downfall of Harris through sheer stupidity. He harboured no grudge against his chief. On the contrary, he had a great admira-

tion and respect for him. But when he had a tankard in front of him and a good cigar in his mouth he was inclined to wax garrulous. Very foolishly he let his tongue run away with him one evening in his favourite public house and tried to induce a man, who was practically a stranger, to have a fire of his own. It is difficult to comprehend, yet it happened.

It appeared that Priest, among his other activities, sometimes carried out a job of printing, and one day Mr. A. R. Cornock, who managed a toy factory at the back of the tavern, inquired if he could do some printing in connection with a new toy.

"No," said Priest. "It's too big for me—but I'll have a proposition to put to you later."

When Mr. Cornock, who was an honourable man, learned that the proposition was one of arson, he could hardly believe his ears. "But how would you get into the place?" he asked.

"That's easy," said Priest and produced with a flourish a big bunch of keys from his pocket. Seeing that the other still did not believe, he sought to convince him with further details.

There must have been a ring of truth about Priest's words, for the listener, despite the strong impression that it was the biggest cock-and-bull story he had ever heard in his life, went along and told Mr. G. S. Mathews, a friend of his, who had been in the intelligence department at Lloyd's. Luckily Mr. Mathews thought there might be something in it, so he took Mr. Cornock round to Mr. W. C. Crocker to tell the solicitor what had occurred. Priest's folly was incredible, but he was not so silly as to reveal the identity of the leader of the gang. He called Harris "The Prince" and boasted that he had such power that people in the highest positions obeyed his orders.

Mr. Crocker listened to his visitors and wondered if Chance were playing at last into his hands. He had scotched many a swindle, but on the other hand he had sometimes been outwitted so cleverly that he was forced to admire, even though he deprecated, the cunning that enabled his opponents to defeat him. He had learned by experience to treat their peculiar talents with respect, so he sent his visitors away to see what else they could learn from Priest, and hoped for the best.

Cornock dropped in quite casually on Priest, who was in his favourite public-house down Highbury way, and introduced Mathews as someone who was interested in the proposition. It needed little prompting to induce Priest to unburden himself still further.

"It's very risky," one of the listeners objected.

"There is no risk. We have got everyone in the swim—accountants, assessors, insurance companies, salvage men, police, everybody," boasted Priest—a remark that was not strictly accurate, although there was more than a foundation of truth in it.

On May 20, 1931, Priest mentioned to Mathews that the next fire was coming off at a second-hand shop in Poland Street in the following week.

Going to Mr. Crocker's office, Mr. Mathews dictated to Miss Alice Sherwood a full account of all that Priest had told him, particular stress being placed on the prophecy of a fire that was to take place in Poland Street. If that fire came off, it would go to verify the truth of Priest's assertions and prove beyond doubt that a fire-raising conspiracy existed. This account was sealed in an envelope by Mr. Crocker and sent to the National Provincial Bank in Bishopsgate to provide an indisputable record that would convince even the insurance world—if the Poland Street fire took place.

The antique business in Poland Street was owned by a

man named Bergolz who, falling under the charm of Capsoni's manner, was persuaded to allow the premises to be fired. Capsoni did the trick on June 1, 1931, and directly Mr. Crocker heard of the fire and saw that the claim for £5,863 was being made by Leopold Harris, he had something tangible to go upon.

Convinced now that there was indeed a vast conspiracy, the solicitor realized that it might take a long time and cost an immense fortune to bring the culprits to book. So far as he was concerned personally, he was quite willing to adopt for his purposes the well-known Lloyd's marine salvage clause of "no cure, no pay," until he had tested the accuracy of his deductions. But he could not expect other people to do the same. And he knew that he would be compelled to enlist the services of quite a lot of other people, that they would need to be paid for their services and that he stood no chance of success against the conspirators if he were hampered for funds. If he could succeed in trapping the plotters, the whole insurance world would benefit. It was manifestly a task in which they should all co-operate. It was a thing they had never done before, but he determined to see if he could induce them to act together.

Broaching the subject to Colonel R. Walker Roylance, a member of Lloyd's, and Mr. W. W. Otter-Barry, of the Sun Insurance Office he gave them an outline of what had occurred and suggested that the insurance world should guarantee a sum for preliminary investigations that would soon prove or disprove the existence of a conspiracy. Thus it came about that, after one or two secret conferences, Lloyd's and the insurance companies agreed to back Mr. Crocker in his campaign against the fire-raisers. Everything was done in the greatest secrecy and the three men who knew were as reticent as the Sphinx.

It was necessary for the solicitor not only to be able to draw upon their funds, but to be able to draw upon their records so that he could study them and see where they pointed. He dared not trust anyone. For aught he knew "The Prince" might have agents in the offices of all the insurance companies and even in Lloyd's, so it might be fatal to let the staffs of any of the offices know that he was taking away the records of certain cases.

In the circumstances, the solicitor made arrangements that after the various offices were closed, the head of the office whose cases were being investigated should himself take to Mr. Crocker the wanted records and would himself replace them in their usual place when finished with. He was taking no chances at all. He knew he was up against a man whose cleverness and cunning were quite exceptional and if a slip were made the gang would escape.

As for the records themselves, he dealt with them in the modern way by photographing them page by page. It meant starting a photographic department with expert photographers and printers, with a staff toiling to deal with the records as quickly as possible. From the negative of each page of a document the solicitor had three prints made so that he would have three sets of records. Thus even if the original records were stolen or burned—an unlikely contingency considering that he stored them in a safe deposit—the documentary evidence would be complete. As he also stored his photographic records in safes in three separate modern buildings, there was not much to fear, for if one or two of the buildings were burned down, a complete set of records would still remain. The task from a photographic point of view was so enormous that it meant making hundreds of thousands of prints, all of which had to be indexed and classified and filed away.

Little by little Mr. W. C. Crocker found his way about a maze which Leopold Harris thought no man would ever fathom. His agents by careful shadowing gradually linked up the members of the gang.

Harris pursued his activities. The money that came to him so easily vanished as if by magic. The demands on him were never-ending. He gambled in stocks and shares and lost heavily, needing thousands of pounds to meet his commitments. Those who aided him in his nefarious work were insistent for money. Capsoni in particular was a thorn in his side. There was the fire in Stoke Newington which Harris had originally delegated Capsoni and Priest to carry out, but he changed his mind, and during Capsoni's absence on holiday removed him from control of the job.

The Italian was furious, still more so when he went specially to Margate to see Harris who merely sent down a message saying that if he did not leave the hotel, he would have him put out. With rage in his heart, Capsoni turned quietly away to think out the best method of striking back.

Capsoni's financial position was growing as bad as it could be, and the only way he could see of getting money was to ask Mr. Louis Jarvis to return a sum of £1,412 which he said he had "lent" to him after the profitable Franco-Italian fire in Oxford Street. Jarvis was staggered by this request, and very bluntly, in the choicest of words, told Capsoni what he thought of him. The Italian went away, threatening to bring an action for the return of the money, so it can be imagined what were the feelings of Harris and Jarvis, who were rightly afraid of what might leak out in court.

That they should calmly throw him overboard after he had done so much for them made Capsoni very bitter. The names Jarvis called him and the names Harris

called him roused the spirit of vendetta in his Italian heart. Mrs. Capsoni was prepared to back her husband in all he did, for the cruel way he was being frozen out by Harris aroused her resentment.

Their feeling reached a climax when they saw that Metro-Radio had been burned down at Wembley. They were very hard-up, living on what credit they could get; their landlord was pressing them for the rent, and they were mocked by the knowledge that their old confederates were working another swindle which would bring in a fortune. They determined that the time had come to give the game away.

On September 9, 1932, Mr. J. S. Henderson, the assistant secretary of the Scottish Union and National Insurance Company picked up the telephone from his desk in Walbrook to answer a call. A woman spoke, saying she had something important to tell him about the Metro-Radio fire and asking him to meet her outside Cannon Street underground station. He kept the appointment, and gained his first inkling of the conspiracy.

"What is your name?" he asked her.

"I can't tell you that. Call me Mrs. Brown," she said. "I will give you my telephone number," she added and did so.

Three days later Mr. Henderson telephoned her to arrange another meeting and this time he learned that she was Mrs. Capsoni. There was still another interview on September 16th, when more details of the plot were disclosed, and next day Mr. Henderson was instructed to seek certain information from Captain Miles who within a day or two learned that Mrs. Capsoni was betraying Harris.

Miles was in a cleft stick. He did not know what to do. Had it been possible he would have side-tracked the

whole matter, but in view of the fact that Mrs. Capsoni had been to the insurance company, he dared not do it.

Meanwhile, Mr. Henderson reported the matter to Mr. Otter-Barry, and that gentleman's reactions can be imagined. Here was confirmation of the story which Mr. Crocker had told him fifteen months previously and he lost no time in letting the solicitor know.

From the time that Mr. Mathews first came to him, Mr. Crocker had been struggling to uncover the conspiracy, but he had not a tittle of evidence on which it would have been possible to arrest Harris. Nor had the solicitor up to this time ever met Captain Miles, who was asked by Mr. Otter-Barry to call at the Sun Office on September 26, 1932, when Miles was introduced to Mr. Crocker to whom he related what Mrs. Capsoni had said.

Next day, on September 27th, Mrs. Capsoni called at Mr. Crocker's office, where Captain Miles was waiting, and she sat down to relate to the solicitor and the salvage chief the details of the activities of the fire-raisers while a shorthand writer took it all down. Later she went out to consult Capsoni on certain points, and brought him back with her. Both were warned that anything they said might be used against them, and Mr. Crocker was careful to point out that no one could guarantee they would not be prosecuted. The Capsonis had made their decision and were determined to tell everything, no matter how much they involved themselves.

The following day they saw Mr. Crocker alone to continue their revelations. They explained their financial position frankly, said that the landlord was threatening to throw them out because they could not pay their bills. Ultimately Mr. Crocker arranged to pay the rent and settle their outstanding accounts and pay Capsoni £5 a week for his assistance. The Italian promised to do all

in his power to help and it must be said in his favour that no one could have done more than he did.

The solicitor was jubilant. At last the enemy was delivered to him and he began to see clearly many things which had previously been obscure. But even with Capsoni's help the task was tremendous. Everything the Italian said had to be checked and proved. The result was such a mass of evidence that it threatened to overwhelm any jury who were called upon to consider it.

Pondering over the subject, the brilliant brain of Mr. Crocker hit on a way of presenting the evidence, not in the form of thousands of words, but in a graphic form that could be seen and understood instantly in a single glance. Picking out from the Harris collection a series of fires, he arranged them in sequence round a sheet of paper, with Harris and one or two connections in the centre. When he found that a person concerned in one fire was also concerned in another, he drew a line joining the particular parts, when he had gathered the evidence to prove that Harris had financed a certain fire, he drew a line from Harris to that fire.

It was so amazingly simple, so extraordinarily effective. There were all the fires linked by lines, so that the veriest fool, looking at the graph, could see that the fires must have been the result of a big conspiracy, and that the head of the conspiracy was Harris. This production of the solicitor became known as Willesden Junction. Considering the way all the fires were linked, it was a very apt description.

The solicitor had proof that he was fighting a powerful organization with wide-spread means of obtaining information. He set a double guard over the records every night to make sure that they did not vanish. He knew that his opponents were without scruples and with-

out mercy and that they would adopt any and every possible means of defeating him.

Capsoni knew it, too. Their threats were too pointed to be misunderstood. So long as Harris paid him to light fires, his co-operation was very loyal. Now that Mr. Crocker was paying him £5 a week to help in the investigations, he worked just as hard against Harris as he had previously worked for him. Capsoni's danger was very real, but he treated it with contempt.

The solicitor was exceedingly puzzled as to how some of his moves leaked out to the other side. He did not suspect Miles at the time, had no idea that the chief salvage officer was accepting the bribes of Harris, that he was pressing Harris for money.

Mr. Crocker's responsibility was immense. A vast sum had been spent on his investigations. He was the one man who understood all the ramifications of the case. Everything depended upon him. A false move, a little oversight, and the chief conspirator might even yet escape. Mr. Crocker did not underrate the ability of Harris to cover up his tracks. Day by day he was compelled to realize the astuteness of his opponent. If only he could obtain some admission from Harris in the hearing of witnesses it would make the conviction of the arch-conspirator certain, but how to bring it about was a baffling problem.

Meanwhile Capsoni, under Mr. Crocker's control, fulfilled his threat of consulting a solicitor in order to recover the money from Jarvis. Legal proceedings were instituted, to the consternation of Jarvis and Harris, who were so terrified of what might be divulged if the matter went any further that Jarvis settled the matter out of court by handing to Capsoni the sum of £300 in treasury notes—a sum which the Italian duly placed at the disposal of Mr. Crocker.

Miles would have given anything to see Capsoni and Harris at the other side of the world, while Harris would have liked to get the Italian out of the country. Harris, in his desperation, determined to have Capsoni arrested on a charge of blackmail. He had an interview with Capsoni, whom he requested to call back on a certain day to discuss a proposition, and during the interim he installed microphones so that police officers could overhear the conversation and arrest the Italian.

Capsoni, it may be added, did not keep the appointment which Harris had so carefully arranged.

Thus while Mr. Crocker was trying to trap Harris, the latter was trying to trap Capsoni. It shows how fiercely the antagonists were fighting.

All's fair in Love and Law. The solicitor thought out three plans of trapping Harris into making a declaration to Capsoni while witnesses were listening at microphones. Each was discussed with Captain Miles, and each in its turn was rejected for some reason or another. A threat to run down Capsoni gave the solicitor the idea of a faked accident that was worked out and timed with all the exactitude of a stage drama. One car was to play the part of knocking Capsoni down as he stepped off the kerb, the Italian could play the part of the injured man who refused to go to hospital and was taken to a nursing home by the doctor who happened very providentially to be passing at the time. The room reserved for Capsoni was already wired with microphones installed, and it was hoped that Mrs. Capsoni would be able to induce Leopold Harris to visit the injured man who was supposed to be blaming the gang for his injury.

The comedy was duly played on the evening of January 8, 1933, but Miles had warned Harris of the plot, so Mr. Crocker set his trap in vain. Quite uncon-

sciously the solicitor gave Miles a very bad time by suggesting that the salvage chief should be one of the men listening at the microphones. Even Miles boggled at the idea of trapping the man to whom he was selling the secrets of the conference table. He extricated himself from a nasty fix by saying he represented the insurance companies and he would not therefore make a good witness, as it might be suggested that he was biased against Harris. Though not the real reason, it was a valid excuse that completely deceived the solicitor.

It will be realised now what Mr. Crocker was fighting and how fearfully the dice were loaded against him. The visit of the Capsonis and their revelations to the solicitor in September shocked Captain Miles into a realization of his own awful position. He was at the time desperate for money and still more fearful of being found out.

He rang through to Harris under a false name which he used and said he must see him without delay. That evening the Chief of the fire-raisers drove in his Rolls-Royce car with its fireman mascot to meet the then Chief of the London Salvage Corps in Hyde Park where they talked together in the dark away from prying eyes.

According to Harris, Miles told him that something serious had arisen and demanded £500 for disclosing the information.

"But that's blackmail," said Harris.

"I cannot help how you look at it—I must have £500," said Miles.

"I have just paid £20,000 losses on the stock exchange, but I will do the best I can to raise £200," promised Harris, who tried in vain to get Captain Miles to tell him what had happened. Miles would not speak, and Harris was left in what he described as a state of complete terror.

Next evening the two met again, and Harris handed to



Eric B. Miles, the one-time chief of the London Salvage Corps, who was sentenced to four years' penal servitude on a charge of corruption in connection with the Harris fire frauds.

Miles the sum of £150 in five pound notes and learned the worst. Miles begged Harris to leave the country, to go to a place from which he could not be extradited. The chief of the fire-raisers swore that at one time there was an aeroplane chartered and waiting to fly him out of the country, and that a special passport was prepared for him.

"I won't go," he said, "I'll stay and face it."

On all sides people were striving to pull him down. The great conspiracy was crushing him. He was at the mercy of any and every member of the gang. Life had become almost unbearable.

Throughout his fire-raising activities, Harris had sought to cover up his tracks as skilfully as he knew how. After those interviews in the park he went through his papers and destroyed anything that seemed likely to incriminate him. He had paid out fortunes in £1 treasury notes so that they could not be traced. He still felt fairly safe, nursing in his mind the impression that it would be impossible to prove anything against him. His mind ranged over the whole of his activities and he was fairly satisfied with the precautions he had taken.

One of the subterfuges adopted was revealed by Mrs. Capsoni. After the Oxford Street fire her husband paid over the shares of Harris and Gould by cheques which duly came back to Capsoni from his bank after they had been honoured. In Capsoni's hands those cheques were fraught with danger.

It was Gould who called round on Mrs. Capsoni when her husband was out and complained that he had not been paid. The lady explained that the cheques had been sent to Harris and that she was quite sure, because she had seen them since they came back from the bank. Gould made no attempt to disguise his doubts.

"Where are they?" he asked.

The lady obligingly got them out to show him.

"Lend these to me and I'll soon settle it," said Mr. Gould, who no doubt settled things satisfactorily, but the cheques never got back into Capsoni's hands.

Did Harris overlook the entries in the ledgers of the banks?

The way Harris evaded the faked accident trap made the solicitor suspicious of everybody. His investigations were practically complete and the evidence of a conspiracy was strong enough for him to strike. Mr. Crocker was so nervous that his plans might go astray and that the conspirators might receive a hint of his movements which would enable them to make a get-away that he arranged with Mr. Dummett, the magistrate of Bow Street, to meet him in a private room in the city to take out the warrants for the arrest of the conspirators. Only Mr. Crocker, the magistrate and one or two others knew that the warrants were issued. Not a soul in Scotland Yard knew it until Mr. Crocker sent for Inspector Yandell to give him the warrants and instruct him what documents to seize in the offices and homes of the culprits when the arrests and searches were made.

Inspector Yandell made his plans and carried out his work to perfection. Next day on February 3, 1933 he and his officers made nine arrests, including Leopold Harris, Harry Gould, Louis Jarvis, H. C. Priest and Bernard Bowman who at midnight were charged at Bow Street: "With having conspired since 1925 at Poland Street and other places to defraud insurance companies and underwriters by means of setting fire to insured premises and property and subsequently making false and exaggerated claims in respect of losses incurred in respect of such fires." The bail for Harris, Gould and Jarvis was fixed at £20,000 each, and the bail for all the prisoners totalled £95,000.

One man the police could not lay their hands on during the first day was Mr. Ernest Wolfe who had been handling fish in Billingsgate when Mr. Leopold Harris

promoted him to be manager of a silk business in York Street, Manchester until the place could be burned down. The said business of Richard Glen & Company went up in smoke as was ordained, but Mr. Harris failed to obtain the insurance money because Mr. Crocker and Messrs. Toplis and Harding who were acting for the insurers just dug in their toes and refused to pay.

The plotters, however, often backed a double event by installing one firm downstairs and another separate firm upstairs, with no apparent connection between the two. They did this in York Street, where Acevose Silks, Ltd., was most disastrously involved in the Richard Glen & Company fire, which little bit of foresight brought them a cheque for over £26,000 from the insurance companies. The amusing way in which Leopold Harris sought to disguise his share of the plunder is shown by the letter which the secretary of Acevose silks addressed to him on October 27, 1931. "We have pleasure in handing you herewith a cheque for £9,308 and hereby authorize you to pay out the same to the firms set out at the foot hereof." As if a firm would ask an assessor to settle their accounts for them.

When the plotters were seeking a manager for the Glen business, Simon Wolfe pointed out quite frankly that his brother Ernest was only a fishmonger.

"Doesn't matter if he's only a dustman," said David Harris.

For a day or two the inspector who was deputed to arrest Ernest Wolfe roved London in a car looking for him. The police officer was being driven down by Billingsgate when his companion, who knew Wolfe, suddenly exclaimed: "There he is!"

To the inspector, who looked out of the window at a man in a dirty, fishy smock, the joke that his companion was trying to work on him was too palpable. "Go on," he exclaimed with a smile.

"I tell you it is," urged his companion. "That's Ernest Wolfe. Pinch him."

With quite startling promptitude, the car stopped beside the surprised fishmonger, who was duly pinched and taken for a ride. It was one of the orders that the arrests were to be made in the kindest manner and all the men treated in the friendliest spirit, because a man is more likely to talk in congenial company. Accordingly the inspector strove at once to get on friendly terms with his prisoner, while seeking to remove himself as far as possible from that gentleman, whose clothing emitted an odour that was far from pleasant.

"I see you've given up the silk business, Mr. Wolfe," said the inspector very courteously.

The fishmonger regarded his captor with a cynical smile. "Yes—fish won't burn!" he replied with the greatest aplomb. He was only the dupe of the others, but he took his medicine of fifteen months' imprisonment without a whine.

Some of the fires that Harris planned were not lacking in humorous touches. For instance, he installed Mr. Bernard Marks in 37 Barbican as the United Cigar and Tobacco Company, and got Marks to install Mr. Westwood in the cellar, at a salary of £2 10s. a week to run a wireless and gramophone business, for which Gould supplied the damaged goods, as he did for the tobacco business.

The plotters happened to start the fire under the staircase just where the main water supply pipe was tucked away, and the intense flames quickly melted the lead pipe and let forth a deluge of water that was as effective as a private fire brigade.

It was a bit of a set-back, but Leopold Harris made the most of the damage and collected £2,533 for Mr. Westwood and £2,300 for Mr. Marks, so it was not exactly

unprofitable. A sheet of paper found in Gould's possession gave a full account of how the booty was split up. After Westwood was paid £650 as his share, there still remained £1,119 profit to be shared out. Harris was paid £500 on account, Gould was paid £161 on account of goods supplied, and at the bottom was written "£369 held in hand for other settlement."

Westwood, who was an old soldier on whom the war had left its mark, knew nothing about Harris, and thought it was Marks who was good enough to start him in business. The police were not aware that Westwood knew anything about Marks until the latter was arrested, when Westwood promptly came forward to stand bail for his benefactor. That kindly deed opened the eyes of the police and placed Westwood in the dock with the others.

It was this same Mr. Bernard Marks who was deputed to fire the premises of the Metro-Radio at Wembley, the job which brought about the collapse of the whole conspiracy. Acting under another name, he delivered a thousand portable gramophone cases which were so damaged and singed that Mr. A. E. Jones, the chief tester, condemned them as unfit.

As they were intended to be burned, their condition did not matter.

All the usual preparations were made for the fire, Mr. Cope the manager was nicely out of the way on the Continent to provide the usual alibi, when Mr. Marks one night quietly inserted a key into the door of the factory and slipped inside. To his consternation a voice accosted him. It was the same Mr. Jones who had condemned the cases; he was carrying out some radio experiments after business hours.

"What are you doing here?" he asked.

"I've got a letter from Mr. Cope saying I may enter the factory at any time. He gave me his key," explained

the surprised Mr. Marks. "I came to see about those damaged cabinets," he added as an afterthought.

But the radio engineer noticed that he left without looking at the cabinets after all.

Mr. Cope returned hurriedly from Germany, and a week later a man working on the roof of the factory saw him take a bag of straw and place it in a rack against a partition. It was a bag of straw which one of the factory hands had put aside to take home for his chickens, but as he could not find it, he was obliged to go without it, because Mr. Cope was so anxious to get him off the premises.

That night the factory was completely gutted; but not a pennypiece did the plotters obtain of the £10,000 for which they were insured with Lloyd's. As Mr. Cope omitted to inform the underwriters that he had originally insured the stock for £60,000, and that the policy had been cancelled, the Lloyd's policy became void.

Gradually the seized documents revealed their secrets, more of the conspirators were gathered in, and on March 28, 1933, David Harris stood in the dock at Bow Street beside the other prisoners. The written word had given him away at last.

The hearing at Bow Street Police Court extended from February 4th till June 2nd. For twenty-five days Mr. Dummett listened to the evidence against the prisoners before committing them for trial at the Old Bailey. Over half a million words were written, and 120 witnesses examined during the unfolding of the astounding plot at Bow Street.

On July 4, 1933, the trial started at the Central Criminal Court before Mr. Justice Humphreys, with Mr. Roland Oliver, K.C., and Mr. H. D. Samuels, K.C., acting for the Director of Public Prosecutions.

The mass of evidence collected against the prisoners

was so enormous that it was necessary to arrange rooms in the Old Bailey as offices to contain all the photographs and documents that were needed. Mr. Crocker had a whispering telephone fitted from his seat in the court to his assistants in these rooms, and as the documents were needed they were forthcoming immediately. Never before had a whispering telephone or such organization been seen at the Old Bailey, and the judge remarked on it and paid a well-deserved tribute to Mr. Crocker at the end of the trial.

Right through July the trial continued, day after day. Early in August, after the judge had remarked that he did not know how long the trial would continue, one of the jury inquired: "Do you think it quite safe for us to make arrangements to go for a holiday next Christmas?"

Even the judge was obliged to laugh.

He listened to the damning facts which Mr. Roland Oliver marshalled so ably against the sixteen prisoners in the dock and during his summing up, which took thirteen hours, extending over two days, he rightly said that in that case the limit of human endurance had been reached. On the 23rd day of the trial, which lasted seven weeks, the prisoners heard their fates.

Leopold Harris was sentenced to fourteen years' penal servitude.

David Harris received sentence of five years' penal servitude.

Harry Gould received sentence of six years' penal servitude.

Louis Jarvis got three years' penal servitude.

Bernard Bowman got eighteen months' imprisonment.

Felix Bergolz got twelve months' imprisonment.

H. C. Priest got three years' penal servitude.

William Herivel got eighteen months' imprisonment.

J. R. Cross got nine months' imprisonment.

Simon Wolfe got eighteen months' imprisonment.

Ernest Wolfe got fifteen months' imprisonment.

Leonard Riley got three years' penal servitude.

V. E. Cope got twenty-one months' imprisonment.

Bernard Marks got three and a half years' penal servitude.

W. E. Westwood got four months' imprisonment.

A. J. L. Ball got three years' penal servitude.

Leopold Harris and his confederates took part in the greatest fire conspiracy that has ever been unmasked and their frauds cost the underwriters and insurance companies at least £203,000. Incidentally the insurance authorities not only paid for the investigations, but they also paid for the costs of the trial so that the expense would not have to be borne by the public. The expenses cannot be stated with certainty, but figures of £35,000 and £50,000 were mentioned after the trial. The shorthand notes ran to over a million words, so it is unlikely that full details of the conspiracy will ever appear; but this account is as accurate and lucid as anything yet written on the subject.

During these proceedings Captain E. B. Miles was still at liberty, carrying on his duties as Chief of the Salvage Corps. Soon after Harris was arrested, the salvage chief called on Mr. Crocker, and mentioned that Harris had guaranteed an overdraft of £1,000 for him. "I know you are making banking inquiries, but I do not think you know about this and I prefer you to learn it from my own lips," explained Miles.

"This is very disquieting," said the solicitor. "Have you had any other dealings with Harris?"

"No," said Captain Miles, who wrote to the solicitor on July 18, 1933, when the whole world was agog with the sensations of the trial: "Dear Crocker, I hope all goes well with you and your affairs. We still get fires. You

have not forgotten, perhaps, the embroglio of which I once told you involving certain banking transactions. The manager of the bank in question has been good enough to inform me in confidence that Mr. Harris recently applied to him for full particulars of his account there, including details of any guarantee given by him. Such details were, of course, supplied. I have also received indirectly a threat which suggests that any small services I may have rendered you in the early days may have been greatly overestimated by the gang, and that it is not intended to let it pass unrewarded if opportunity occurs. If Harris brings in my name it will not help him, but blow me up completely—a prospect I still find distasteful. I know you are too busy to bother about all this, but if you can find anything to thwart their amiable intentions I shall be very grateful.”

On November 20th the blow fell, and Miles was arrested by Superintendent Yandell and Detectives Cockburn and Bishop at the headquarters of the Salvage Corps on a charge of corruption and perverting the course of justice.

Twenty-seven of the thirty £5 notes which Harris had paid to him in the park were traced to him, a receipt for £500 in treasury notes which Simon Wolfe had paid into his account in April 1931 and to which Wolfe had added the initials E. B. M. after the printed words “Paid in by,” was found among the Harris papers seized by the police.

Like many another man, Miles was involved in the Hatry crash, but he was accepting money from Harris long before the Hatry failure.

“This is one of the worst cases of its kind that I have ever heard of,” said Mr. Justice Hawke, who sentenced Miles to four years’ penal servitude, which sentence led to the loss of his army rank and the erasure of his name from the military records.

It was a sad termination to a brilliant career.

CHAPTER IV

THE STOLEN ART COLLECTION

“IF the assured shall make any claim knowing the same to be false and fraudulent, as regards amount or otherwise, this policy shall become void, and all claim thereunder shall be forfeited.”

This clause in Lloyd's Policy Form J., set down in good, plain, straightforward English that anyone can understand, was the dominating clause in a case heard by Mr. Justice Avory and a special jury between February 13th and February 23, 1934, in the King's Bench Division of the Law Courts. The case had some features which even the famous judge, who was used to accurate statement, was obliged to admit were peculiar, so the ordinary man and woman may take it for granted that they were rather unusual.

For forty years Mr. Herbert Anderson Haase had been in practice as an architect and surveyor, and the rewards of his profession permitted him to reside in the Belsize Park neighbourhood of Hampstead, where the fine old houses with their enormous rooms that used to shelter the wealthy and famous of a bygone generation were slowly undergoing the metamorphosis of conversion into flats, or being pulled down so that their big gardens could give place to those enormous barracks which are rising everywhere to make the London of the future out of the London of the past.

His circumstances were such that he was able to satisfy his taste for collecting pictures and rugs and other artistic

things that appealed to him. Being a prudent man, he was careful to see that his collection which he kept in his home was properly insured against burglary and fire. Nor did he omit to take out fire insurances on various properties in which he was interested. It was just a matter of common sense, for no ordinary man is going to run the risk of being ruined by a fire so long as a powerful company will carry the risk upon payment of a trifling premium.

As a collector, Mr. H. A. Haase was not one of those men who refuse to part with their treasures in any circumstances. Although he liked nice pictures and ivories and rugs and enjoyed gazing upon them, he was not averse from allowing a treasure to pass into other hands, providing the person who took a fancy to it made the transaction profitable. Not that Mr. Haase was a dealer. He was an architect and surveyor, and if one of his treasures was transferred, that was a private matter which concerned him alone. After all is said and done, the most famous collectors sell a treasure or two now and again, and there was no reason why Mr. Haase should not do the same.

But Mr. Haase was so fond of having nice things about him that they flowed over from his home to his offices at 5 Stratford Place, Oxford Street, London, where pictures and ivories and rugs were arranged in one of his rooms in such a way that anyone who dropped in casually might have been forgiven for thinking that he was on the premises of an art dealer. Amid these treasures in Stratford Place Mr. Haase practised his profession, made out the reports of his surveys and drew up any plans which were wanted. Now and again people paid a visit to have a look round at the art treasures that were so tastefully arranged about the room in the suite of offices on the second floor. Early in 1931 Mr. Edward Duveen

climbed the stairs and gave a quick glance round with his expert eyes at the collection and lingered for a few moments over a picture called "Anne, Countess of Chesterfield." "There is nothing here of interest to Duveens," said Mr. E. Duveen, and took his departure.

Some men might have been rather perturbed at such a remark from the representative of one of the most famous art dealers in the world. But Mr. Haase was a man who formed his own opinions as to the value of his treasures and he was not prepared to allow an incident like that to shake his belief in his own judgment.

Strangely enough, although Mr. Haase had always taken the precaution of insuring the art collection in his home against burglary, he omitted to insure the collection in his office against the same risk. This oversight is rather difficult to understand, for he valued the collection in his offices at several thousands of pounds. His private secretary, Miss Margaret Schnorr must have been rather uneasy about it, for she suggested to him sometime in 1928 that he should insure the collection against burglary, but he did not act on her advice. His pictures and ivories and rugs remained to delight the eye in his offices; such articles as could be put away in the safe were locked up every night, while the pictures and other things were left to take their chance against any marauders who happened to covet them. No one slept in the building at night; there was no caretaker installed; the place was unoccupied after office hours, so the risk of burglary was certainly greater than in a private house where the occupants might easily be disturbed by an intruder.

Mr. Haase did not seem to bother much about it, or if he did, he took no steps to counteract it, for he continued to leave his collection uninsured in these conditions and surroundings. Then just as he was about to travel to the

Continent at Christmas 1930, Miss Schnorr reverted to the question of insuring the collection against burglary. This time Mr. Haase agreed, and gave her instructions to effect an insurance on the pictures and art treasures in the offices.

That was on Christmas Eve, December 24th, when most people were thinking more about holidays than business. Considering that Mr. Haase had been carrying the risk for so long, one would have thought that a few days longer would have made little difference, that there was no urgent necessity for pushing the matter through until after the holidays. But Miss Schnorr acted promptly. Ringing up the Alliance Assurance Company, with whom Mr. Haase had done considerable business, she asked that their representative should call round at once. Mr. M. H. Le Grove, an inspector from the St. James's branch accordingly went along to see her.

"Mr. Haase wishes to insure his goods against fire and theft," she explained.

The inspector looked round, noted the pictures and ivories. "How much cover do you want?" he inquired.

"£5,000," was the reply.

Mr. Le Grove produced a proposal form. "Would you mind filling in this form?" he inquired.

Miss Schnorr took her pen, looked at the form, and began to fill it in with quiet efficiency. She wrote down the value of the office furniture as £800; the pictures and ivories and other things were valued at £4,200.

"What is the maximum value of any single article left out of the safe?" was one clause she read on the form, and promptly jotted down £300.

Mr. Le Grove thanked her as he took the form. "We will send on a cover note," he said.

That same day a cover note was posted off to 5 Stratford Place covering Mr. Haase's goods until such time as

the proposal was accepted or rejected, and Miss Schnorr closed the offices and went away with a quiet mind.

After the holidays, on December 31st, a surveyor called from the Alliance Assurance Company to examine the premises. To his expert eye they were much too vulnerable and he duly reported the alterations and extra precautions that he considered it was necessary to make before granting an insurance against burglary for the sum of £5,000.

The company did not like it. The risk seemed so great that they were not prepared to carry it. Accordingly they gave Mr. Le Grove instructions to see Miss Schnorr and decline it as diplomatically as possible.

On January 6, 1931, Mr. Le Grove called on Miss Schnorr to discuss the matter. "You know that cover note is only for burglary and housebreaking?"

"Is it?" inquired Miss Schnorr.

"Yes. The Alliance does not issue policies on business premises which include the risk of larceny. That is the greatest risk, and we never insure business premises against larceny. Our surveyor reported that the premises must be made more secure. This is what he says."

Mr. Le Grove opened the surveyor's report and read out the precautions that would have to be taken to make the premises more secure. "I do not believe that any other insurance company will insure the premises against larceny," added Mr. Le Grove.

"I don't think it's worth while going to the expense of making those alterations," said Miss Schnorr.

"Even if you wish to carry through the burglary and housebreaking policy, the company would still insist on the alterations recommended by the surveyor," said the insurance inspector.

"I think we'll drop the matter," replied Miss Schnorr, and handed him back the cover slip that had been issued.

Thus, in the most tactful way, without offending a customer, Mr. Le Grove declined to insure the premises, and Mr. Haase continued for a few months longer to run the risk of his collection being stolen.

It will be noted that Miss Schnorr in the Alliance proposal form had valued the collection at £4,200, and it may be assumed that this is the figure which Mr. Haase instructed her to put down. Anyway, soon after Mr. Haase returned from the Continent in January he became interested in some pictures that were in the possession of Lady Massereene and Ferrard, and called to see them. A Captain Joseph, who was in the habit of dropping into the offices at Stratford Place in order to read the newspaper and use the telephone, met him there with a Mr. Behrens and Mr. Tooth, the picture dealer. They all looked at the pictures, twelve in number, which were considered to be by Van Dyck, Jan Steen, Gainsborough, Sir Joshua Reynolds and other masters, and Mr. V. Tooth mentioned that they might fetch £15,000.

There was something mysterious about that meeting to view the pictures; how it came about and what actually transpired there cannot be stated with any certainty. As a result of it, however, Mr. Haase acquired the twelve pictures for £6,000 which he proposed to pay by six bills of £1,000 each, the bills falling due for payment at certain intervals. The pictures were thereupon delivered at 5 Stratford Place, where Mr. Haase disposed of them in the best light to attract anyone who might look in.

People came and went. Mr. Edward Duveen was one of them, as already mentioned, but neither dealers nor private customers were disposed to jump at the pictures. Mr. Haase, of course, did not buy them to add to his own private collection. He bought them with the sole intention of selling them to make the biggest possible

profit. He made no attempt to disguise it. On the contrary, when it became necessary, he avowed it with the most admirable candour, without attempting to pose as an architect who would not think of doing a deal in pictures.

Toward the end of March, Mr. Haase once more tried to insure his collection at 5 Stratford Place. Its value had been increased by the addition of a dozen pictures for which he had agreed to pay £6,000, so accepting his own valuation of £4,200 for the rest of the collection we get a sum of £10,200. Mr. Haase, who seemed to be very hopeful about profits at a time when business had fallen away almost to nothing owing to the slump, suggested cover for between £20,000 and £30,000 to a firm of Lloyd's brokers. He did not tell them that he had tried to insure before and that the risk had been refused, he did not tell them he was a dealer and that the articles were disposed at Stratford Place for sale, he did not tell them that the premises were left unoccupied all night. On April 2, 1931, the brokers obtained from the Lloyd's underwriters a cover note which they sent along to Mr. Haase with this letter:

"In accordance with instructions received from Mr. Lawrence, we have effected on your behalf a provisional insurance to cover all risks of loss or damage on pictures, Persian carpets and ivories whilst at 5 Stratford Place, Oxford Street, London, W. This insurance is operative from to-day inclusive until a date to be advised and at a premium to be arranged when the period is known, and we have your definite advices as to transit risks, if any, you desire to be included. As is usual with such insurance, the policy would not cover: (a) infidelity of your employees or of persons to whom the interest is entrusted—and other things which I need not bother about, moth or vermin damage. We understand

from Mr. Lawrence that the total amount for which cover will be required is between £20,000 and £30,000 and we have accordingly arranged provisional insurance for the latter figure and hope that it will be possible for you to provide us with a specification of the articles with their definite values in due course."

Mr. Haase made no reply, so after waiting a fortnight the brokers wrote to him again:

"We understand from Mr. Lawrence that you would like to call and discuss with us details of the insurance which we provisionally arranged on your behalf on the 2nd instant. We shall be glad to see you at any time convenient to you, but we should appreciate it if you would kindly endeavour to telephone us shortly before you intend to call."

Once more Mr. Haase omitted to reply. Was the slump hitting him as hard as it was hitting other art dealers? Was he so worried by his business affairs that he had no time to make out a list of his art treasures and complete their insurance? Whatever the reason may have been, he did not reply.

On April 25th a bankruptcy notice was issued against him, and when Mrs. Hutchinson, the charwoman, arrived at 5 Stratford Place early next morning to clean out the offices, she found the door of the room in which the collection had been stored was forced open. Going inside, she saw the room in a chaotic state, the safe door was open wide, picture frames were lying about with never a trace of the pictures they had contained. Running out of the building, Mrs. Hutchinson got hold of the nearest policeman and told him all about it. The police rang up Mr. Haase, who in turn rang through to inform the brokers. There was no delay on his part now. That same day he wrote to the brokers:

"Dear Sirs,

"With reference to the recent 'All Risks' insurance for £30,000 which you effected on my behalf, I confirm my telephone communication of this morning that there has been a serious burglary at this address last night. Detectives from Scotland Yard have got the matter in hand, and I am now endeavouring to prepare a list of the pictures, rugs, ivories &c., which have been taken. Directly this has been done I will send you details and particulars of same so that you may make the necessary claim."

Mr. Haase was not long in hearing that Messrs. Tyler & Co., the assessors, had the matter in hand for the underwriters, and the brokers concluded their letter with this intimation: "We take this opportunity of reminding you that we have not received any reply to our letters of the 2nd and 17th instant."

To the man in the street, who is unused to the practices and niceties of the insurance world, it may be difficult to understand how Mr. Haase could possibly hope to obtain any insurance. He had paid no premium, he had received no policy, there was no mention of the period of time for which the collection was to be insured. It was open for Mr. Haase to say that the period was to be twelve months, but in some cases things are insured during a journey from London to Paris, lasting no more than a day, so it was quite open to the underwriters to assert that the insurance was to be in force for a week. What is worth noting is the fact that insurance companies and underwriters are in the habit of giving cover, otherwise accepting the liability, during such time as the terms are being settled, and if a loss occurs before any policy is issued, they will pay, provided their assessors are satisfied.

In the present case they could not stifle their doubts.

They were faced with the fact that Mr. Haase had completely ignored the brokers' first letter and had made no attempt to supply an inventory of the articles with their value, nor did he follow up his verbal message and call in to see the brokers as he had promised. Then it seems that Mr. Haase told the police after the loss that the total value of the collection on the premises at the time was £22,000. The underwriters could not help thinking that the difference between £22,000 and £30,000 was considerable, and they could see no reason why anyone owning a collection worth £22,000 should wish to insure the articles for £30,000—it seemed such an unnecessary waste of money, especially to a man who was financially embarrassed.

Before things began to crystallize out in this way, however, Mr. Haase on April 28th, three days after the loss was discovered, filled up the usual claim form in which he claimed £18,706 15s. for the goods that were lost. The pictures he valued at £13,760, the Persian rugs were valued at £1,950 and the ivories at £1,773. There were also some tapestries and cigars valued at just over £1,000 to make up the total. It will be noted that there was not much delay in making out the claim, that after the collection had vanished Mr. Haase was able to make out a list and arrive at the value in three days.

For some six months Mr. Haase waited for his cheque, instead of which he received from the underwriters, Messrs. C. E. Heath & Co., a letter which completely shattered his hopes. "The peculiar circumstances surrounding the loss have involved lengthy inquiries, and, as the result we are forced to the conclusion that we must defend any action that may be brought and cancel the insurance."

Mr. Haase took legal action straight away and put in a claim which was increased to £22,000, whereupon

Messrs. Chamberlain & Co., the solicitors acting for the underwriters, went to work quietly to defend their clients.

The first hint of a surprise was a letter to the underwriters on January 4, 1932, from an assessor, Mr. J. W. Bell, asking for an interview. "I shall likely be able to give you some information in regard to a large claim which has been made against you," he wrote.

The claim was that of Mr. Haase. As Mr. J. W. Bell held out the hope that his efforts might lead to the recovery of the property, the underwriters consulted the police as to what they should do. Acting on police authority, Mr. M. Evans, one of the underwriters, paid £1,500 to Mr. Bell by cheque, on January 22nd.

About a fortnight later, while Mr. F. Penver was resting upstairs, a car drove up to his second-hand shop in Charlotte Street, Southwark, and the man who looked after a stall outside saw some parcels and a box carried into the shop. The men in the car came and went in a minute or two without saying a word to him or anyone else.

Thinking it was something Mr. Penver had bought at a sale, his helper went into the shop and called upstairs: "Shall I unpack this stuff and put it on the stalls?"

"What stuff?" called Mr. Penver, coming downstairs.

He looked at the box and brown paper parcels scattered on the floor in amazement, examined part of a Persian rug which was sticking out of one of the parcels. "Where did this come from?" he inquired.

"Two men just brought it in a car. Shall I unpack it, boss?"

"No. You leave it alone. Those things don't belong to me," said Mr. Penver. He was naturally concerned at goods which he had not bought being dumped on his premises. He did not like it at all, and promptly telephoned to the police and told them what had happened. When the police came to examine the parcels, they found

that the Haase collection has been dumped on Mr. Penver.

If the news surprised Mr. Haase, it is doubtful if the underwriters regarded it as amazing. Mr. J. W. Bell wrote to them and said: "I am considerably out of pocket over this matter and am continually being pressed to complete my part. . . . I trust you will see your way to pay me a little extra for my trouble." Again the underwriters consulted the police and, acting on authority, paid over a cheque for £1,000, from which we may be justified in assuming that the good offices of Mr. Bell sufficed to restore the missing property.

Until the moment that the missing property was recovered, the underwriters had only Mr. Haase's valuation of it to go upon. Now all the property was in the hands of the police, with the ivories and rugs in the same condition as when they were removed from 5 Stratford Place, and the pictures, which had been rolled up for some months, suffering some damage owing to the careless way they had been cut from their frames and stored.

Here was a heaven-sent opportunity for the underwriters to check the values placed upon the pictures and other articles by Mr. Haase. Calling in Sir Charles J. Holmes, the former Director of the National Gallery and one of the greatest independent authorities on British paintings, they asked him to examine the pictures. They also requested the help of Professor Arthur Laurie whose examination of disputed pictures under X-rays and other rays and his chemical examination of the pigments of which paintings are composed have placed him in the forefront of those experts who can tell the authenticity of paintings by chemical analysis. Professor Laurie calls all science to his aid, and some of his discoveries have astonished the art world.

Not until February 13, 1934, did the battle of the experts start before Mr. Justice Avory, when Mr. N. J. Laski, K.C., and Mr. Valentine Holmes conducted the attack for Mr. Haase, while Mr. Stuart Bevan, K.C., Mr. H. D. Samuels, K.C., and Mr. Cecil Travers defended the underwriters, who were sued through Mr. Montague Evans. By that time Mr. Haase had suffered seven bankruptcy petitions, so his financial position was not very fortunate.

One of the pictures for which he claimed £6,000 was named "Anne, Countess of Chesterfield." This was the picture that Mr. E. Duveen turned from, saying he was not interested. It was described as a Gainsborough, and it was once pledged with a pawnbroker from whom Mr. Haase had redeemed it upon payment of £110. It turned out that this same picture was put up for sale at Christies on July 9, 1926, under the title, "Portrait of a Lady, T. Gainsborough, R.A." but as it fetched no more than £47 5s., the keen dealers who frequent Christies were seemingly not very impressed by this picture or the fact that it was ascribed to Gainsborough.

One expert speaking for Mr. Haase said it was an unfinished sketch by Gainsborough and in its original undamaged condition was worth many thousands of pounds. Another expert called it a studio Gainsborough that was probably finished by Gainsborough's nephew. But Sir Charles Holmes said in the most unequivocal way that it was not a Gainsborough at all, while Professor Laurie remarked that it was just a copy and the work of an ordinary painter.

Another painting was a portrait of Henrietta Maria, ascribed to Van Dyck, for which Mr. Haase originally claimed £2,000—a claim which he increased to £3,500. Incidentally a portrait ascribed to Reynolds was similarly increased and an interior ascribed to Jan Steen was

increased from £1,000 to £3,000. The underwriters quite naturally suggested that Mr. Haase increased the values in this way to bring the total value of his collection up to £30,000 to accord with the insurance that had been proposed.

The Van Dyck was rather scornfully treated in court. Professor Laurie mentioned that Van Dyck had painted nine portraits of the lady that were admittedly genuine, but about fifty copies were on the walls of various houses throughout the country. This was only a copy, as he had confirmed by going to Windsor Castle to compare it with an original there. The nine authentic Van Dyck paintings were by a great artist, but the others were poor but honest copies—which was not very pleasant hearing for Mr. Haase.

The same tussle between the experts took place over picture after picture, Mr. Haase putting forward an expert to indicate that they were not over-valued, while the underwriters relied upon Sir Charles Holmes, Professor Laurie and others to prove the contrary.

It came out that Mr. Haase claimed £13,000 for the pictures which he had acquired from Lady Massereene for £6,000. Whether the lady ever received this sum is difficult to say. Mr. Haase, after some of the bills were renewed, eventually paid £4,000 toward the purchase price. His secretary mentioned that a Mr. Lewis agreed to pay the other two bills of £1,000 each on condition that Mr. Haase acquired from him another picture.

This was such a paradox that it savoured of business gone mad. Why should Mr. Lewis agree to pay £2,000 if Mr. Haase would take a picture from him? In the ordinary way Mr. Lewis would be not only £2,000 the poorer, but would be minus a picture to boot. How could Mr. Haase repay to Mr. Lewis this £2,000 by taking the picture?

This unusual, unbusinesslike arrangement presented a problem that completely baffled the judge. What was the reason for it, and what lay behind it was never cleared up, because Mr. Lewis could not be traced and placed in the witness box. Sir Charles Holmes, however, saw him at a sale in Christies a day or two before the case came on, and the solicitor's clerk who had tried to trace Mr. Lewis was not surprised to hear it. How Mr. Lewis would have explained this peculiar transaction if he had been placed in the witness box will therefore never be known.

Two of the pictures for which £1,000 each was claimed were said to be landscapes by an artist named de Loutterbourg. These, according to Sir C. Holmes, were not even genuine copies in the accepted sense of the word. They had been reproduced by some mechanical means and he stigmatised them as stencils. Professor Laurie confirmed that the pictures were not genuine oil paintings, but cleverly-made transfers, done by tracing the pictures on a fine gauze and then transferring the copy to a blank canvas by pressure.

According to Sir Charles Holmes, who had spent years of his life in looking after the national pictures, the nine pictures he saw could be restored for about £250. In his judgment the collection of pictures might fetch £780 on the market, and even for insurance purposes he could not give a higher figure than £1,030. One of the partners of Messrs. Leggatt Bros. of St. James's, the well-known art dealers, was more parsimonious than Sir Charles Holmes, for he valued the pictures at no more than £650.

The dealer from whom Mr. Haase bought a silk rug for which he claimed £800 produced a receipt for £450 and said that he considered the articles purchased from him by Mr. Haase were still worth about what was paid for

them. A dealer for the underwriters valued the silk rug at only £250 and all the rugs at £875.

The collection of ivories received no less drastic treatment. They were examined by Mr. Bernard Francilla, a specialist on Chinese works of art and a valuer to the Port of London Authority. He certainly tried to be as fair to Mr. Haase as he possibly could, although even then he was unable to place the total value of the ivories at a higher figure than £825. He went through the pieces one by one and mentioned what they were worth. His last remark before leaving the witness box was extremely disconcerting to the owner of the ivories. "If I wanted to acquire such a collection, and were given a cheque for £400, I would be able to buy pieces quite as good and return a substantial amount of change," he remarked.

For a dozen days the jury listened to the experts giving their opinions of the value of the collection that vanished and so strangely reappeared. Mr. Justice Ivory pointed out how unusual it was that the collection should have been taken from the premises without bringing any profit to those who took them. "Thieves, as a rule, do not break in and steal unless for their own profit, and with such articles as pictures, oil paintings, Persian rugs and ivories, they do not generally steal things of that kind unless they know of some place where they can get rid of them. You cannot assume that this was another collector who had the idea that he would like to have Mr. Haase's collection and so took them away merely that he might have the pleasure of looking at them at times. Instead of these things finding their way abroad, through some receivers of stolen property, or finding their way to any pawnbrokers in the metropolis, we know now that in February 1932 they were suddenly dumped down on the business premises of this gentleman who carries on

business in second-hand goods without any notification to him that they were coming."

It was unfortunate for Mr. Haase that he mentioned in his statement that he left his office about 6 o'clock on the evening of April 24th, whereas he admitted in court that he might have been at Sandown Park that afternoon. Such a discrepancy did not tend to allay suspicion. It came out, too, that Captain Joseph was left alone in the office and was the last man to leave. As already mentioned, he seemed to be friendly with Mr. Haase and used to drop in and sit there to read the newspaper and on this occasion he said he remained to use the telephone.

There were four doors giving entrances to Mr. Haase's various offices from the landing, and only the door of the room in which the collection was stored was forced. It was not very strong, and a heave of the shoulder was sufficient to break the lock. The police made rather a lot of the fact that those who took the collection forced the door of the right room straight away, which indicated that they knew their way about. The same point was taken up by Mr. Justice Avory on whom it seemed to make a deep impression.

That it was mentioned at all seems to betray an unexpected lapse on the part of the police and the judge. No logical man would expect anyone to make off with a collection like that without going to have a look at it first. The collection was kept in the place for anyone to see. People could come and go up and downstairs as they chose. The merest tyro would go to have a look in order to make the plans for getting the stuff away. This would be a matter of common prudence, and the fact that the thieves went to the right door proved little except that they were wise enough to spy out the land beforehand. There was no sense in raising the point, for it settled



Stratford Place, a quiet cul-de-sac off Oxford Street, London, in which Mr. H. A. Haase had his offices from which the collection of pictures and ivories was stolen.

nothing, whereas if several of the doors had been broken open quite a lot might have been inferred from it.

The logical mind will also question whether Mr. Justice Avory was right in emphasizing the view that the thieves gained nothing by taking the goods. "It is difficult . . . to see what profit or benefit the thieves, whoever they were, could expect to derive from keeping these articles in their possession from April 24, 1931, up to February 1932 and then suddenly dumping them down in the shop of this man who did not want them and who was not likely to pay for them; so that the thieves, whoever they were, apparently derived no benefit whatever," said the judge in his judgment.

But was he right in stating that the thieves made no profit? We know that the police authorised the underwriters to pay Mr. J. W. Bell £1,500, that a fortnight after this payment the stolen goods were left in Mr. Penver's shop, and that some time after the goods were recovered Mr. Bell wrote: "I am considerably out of pocket over this matter, and am continually being pressed to complete my part."

Mr. Justice Avory regarded this merely as a payment for information given. But what did Mr. Bell mean when he said he was out of pocket? How could he be out of pocket without paying some of the £1,500 away to someone else? Why should he be out of pocket?

The counsel for Mr. Haase suggested that this £2,500 was paid by the underwriters for the return of the goods, but the judge would not agree, so these various points were not clarified, and we are left in doubt. But if I had been the judge I would not have insisted that the thieves made *no* profit by their action.

In the end the decision rested with the special jury to whom the judge put a series of questions. The jury were convinced, after hearing the evidence, that the goods

were removed without the connivance of Mr. Haase or any of his employees, so the defence of the underwriters that there was no burglary was not upheld by the jury, who absolved Mr. Haase of any complicity in the loss of the collection. By their answer the jury found it was a genuine robbery in which Mr. Haase played no part whatsoever.

The judge pointed out that if a man buys anything in the open market he is expected to look after himself, and if the article he buys proves to be faulty, and he has not received any guarantee concerning it, then he has only himself to blame. But insurance is a matter of good faith between the insurer and the insured. The latter is legally expected to disclose anything material to the insurance, any information that might influence the judgment of the insurer. If he keeps anything back that the insurers ought to know, he may nullify the insurance.

The jury had no doubt that Mr. Haase failed to disclose that the premises were unoccupied after business hours, that the Alliance Assurance Company had refused to insure the collection, and that the sum of £30,000 for which the goods were insured was greatly in excess of their real value. They said so. Then they dealt Mr. Haase a shattering blow by finding that he was guilty of making a fraudulent claim, how fraudulent can be judged by their suggestion that £2,500 would be the value of the goods that were lost and damaged.

This amazing case with its long succession of extraordinary features reached a climax when the jury found that it was not material that Mr. Haase should disclose to the underwriters that the premises were unoccupied, that the Alliance Assurance Company had refused to insure him and that the sum of £30,000 was greatly in excess of the real value of the goods. It came as a shock to all the legal dignitaries in court, it challenged all the

legal rulings of the insurance world, it served to emphasize how unwise it was and is to leave a decision on legal points to the mind of a jury who have no legal knowledge.

Even Mr. Laski, the counsel for Mr. Haase, was not prepared to defend or support such a contention. "There is really no evidence on which the jury could make that answer. There are a number of cases on the question of materiality which make it beyond doubt that these matters are material to the underwriters. The underwriters can sleep quietly in their beds despite the finding so far as materiality is concerned. It is only right to say so, otherwise there may be a wrong impression created in the minds of the public."

Thus we have the extraordinary instance of a counsel sweeping aside and refuting a finding that was in favour of his own client. He knew the opinion of the jury on this point was quite wrong and said so without equivocation. Had he attempted to defend it, the opposing counsel could easily have overwhelmed him, so the least said the soonest mended and the smaller the costs incurred.

So Mr. H. A. Haase who, although he had paid no premium and had received no insurance policy, claimed £22,000 from Lloyd's underwriters—who, strange though it may seem, would have paid despite the lack of premium and policy if they had been satisfied that the claim was genuine—was adjudged guilty of making a fraudulent claim and left the court a discredited man.

Whether Mr. Haase was the victim of trickery and duplicity, as he suggested in court, is open to conjecture. There is much about the strange collection of pictures that remains an unsolved mystery.

CHAPTER V

THE MURDER OF ISIDORE POIRIER

IT is tragic that the system of insurance which plays so important and beneficial a part in modern civilisation should sometimes inspire the foulest crimes. How many people have been done to death for the sake of the insurance money will never be known, but the crimes that are discovered make an ever-lengthening list as the years go by. More than one cruel harpy has battered on those unfortunates who were saddled with illegitimate children, the usual procedure being to take the children off the hands of the mothers for a lump sum, after which the baby-farmer insured the baby for a small sum, say £5 or £10, and neglected the child until it died. This type of insurance crime so shocked the people of the Victorian era that the stringent rules put into force practically stamped out baby-farming in Britain.

A couple of years ago in the United States a monster, devoid of human feeling, took his little daughter, who was about four years old, for a ride in his motor car and held her down in a stream until she was drowned in order that he could draw the \$800 for which she was insured. The crime was so obvious that he had no chance of escaping the penalty.

There was another case of a pauper named Joseph Raber who was insured for \$10,000 or £2,000 and then murdered. The five men who insured him were all hanged.

Much more cunning was exercised by the conspirators who saw in the village drunkard an opportunity of

making a fortune. In their eyes their plan could not fail: it was an absolute certainty.

Insuring the drunkard's life for £60,000 or \$300,000 they made it their business to see that he never lacked money to buy drink and that there was always someone willing to pay for another drink with him in the local bar. In any case he would have died of alcoholic poisoning sooner or later. Their subtle attentions were designed to make it sooner—the sooner the better, so far as they were concerned.

Rapidly he became worse, his bodily functions became more deranged. They noted it with shrewd and calculating eyes until they saw the end was nigh and concluded it was time to avoid his company. They particularly avoided meeting him in his usual haunts, for they did not want to arouse suspicions by being present when he died. A day or two later the poor dipsomaniac collapsed and succumbed in the bar of the village inn itself.

There is no doubt that he drank himself to death. Not one of the men interested in the insurance was present at the end. How, then, was it possible to blame anyone? Such an end to such a man was a death by natural causes. It was extremely difficult to prove otherwise.

The clever plot might have succeeded but for one thing. It was necessary for the conspirators to prove to the insurance companies that the dead man was a good risk. No local doctor who knew the drunkard would have vouched for him to the companies, so the conspirators sought out another doctor and offered him a fee of £300, or \$1,500, for a certificate to send to the companies. The medical man, thinking there was something strange about the affair, made inquiries and discovered that the man he had been asked to certify as a good risk was at the moment already dead. With that discovery vanished all hope of the plotters getting the insurance money.

Greed and passion were inextricably mixed in the case of Cordelia Viau or Poirier, a French-Canadian, who lived with her husband Isidore Poirier on the outskirts of the little hamlet of St. Canute up in Two Mountains in the province of Quebec. It was a lonely spot, a considerable distance from Montreal which lay on the other side of the St. Lawrence, and Cordelia was far from happy. Her husband was well-established and hard-working with a kindly word for everyone; he attended Mass regularly and the members of the community knew him as a decent, respectable citizen. But Cordelia hated him. She dominated him completely and treated him in the most contemptuous manner. In spite of this he had a real affection for her, and did her bidding for the sake of maintaining peace.

He was older than his wife, which did not tend to improve matters, but despite the sharp things she said to him he had faith in her integrity. His faith, unfortunately, was not justified. She disliked him so much that she had no compunction in betraying him in order to satisfy her secret passion for Sam Parslow, who was a younger man than her husband. Apart from his physical attractions, which so enamoured Cordelia, Sam Parslow had nothing to recommend him. Like most other men in Canada, he was very handy and prepared to do anything that came his way, but he had neither money nor position. His lack of means did not give her much concern at first, because she snatched so much happiness from their guilty meetings that nothing seemed to matter. She was the type of woman who was prepared to take what she wanted at any price; and she dominated her lover in a much more subtle manner than she dominated her husband. As for Sam Parslow, for a time he was in Poirier's employ, gaining a livelihood from the husband and posing as his friend while carrying on an intrigue

with the wife. The fact that the guilty pair were both members of the choir in the Roman Catholic church did not make the moral aspect any better, although it made it much easier for them to arrange their illicit meetings.

Early in 1895 Isidore Poirier proposed to undertake some work in California, leaving his wife behind him in St. Canute. It offered her freedom. To get her husband out of the way so that she could be alone with Sam Parslow was one of the secret desires which grew stronger as the intrigue continued. This proposed visit to California held out for her the prospect of long days when she could do exactly as she wished, days that were undisturbed by the presence of the husband she detested. Almost imperceptibly she uncovered the first signs of the dark plot that was hatching in her mind.

"You ought to insure yourself," she said, in the French idiom of Quebec.

It seemed to Isidore Poirier a good idea. He was going thousands of miles away and it would be a matter of common prudence to insure his life.

"Why not ask the agent to see you about it?" was the gist of her suggestion.

Accordingly the agent of the Standard Insurance Company called on them in St. Canute and Isidore Poirier took out an insurance policy for \$1,000 or £200, straightening up things before his departure by making a will in his wife's favour.

Some months passed. The second premium of the life insurance became due. Cordelia Poirier received the notice from the agent; but she had not the ready money to meet it. Taking her pen, she wrote off to tell the agent that her husband was away in California and asking if he would kindly pay the premium for her, telling him that she would repay it with interest when she received the expected remittance from Isidore on September 15th.

At the end she made a suggestion that may have meant much more than it said: "A visit from you as you pass will give me much pleasure," she wrote, and signed herself: "For life your humble friend."

The agent had no desire to mix up business with friendship, so he was wise enough to pay neither the premium nor the visit.

The liberty she enjoyed and the absence of her husband tempted Cordelia Poirier to such indiscretions with her paramour that the villagers began to gossip about them. Sam Parslow's mother, a God-fearing woman, became so affronted at the way her son was being led away that she begged a neighbouring farmer to write to the Bishop to stop the pair from associating. She believed that what she could not do herself, the Church might be able to accomplish. Her deep concern sent her at last to Father Pinault, the curé of the local church, to urge him to intercede and save her son.

The curé was loath to interfere. Cordelia Poirier was a useful member of the religious community; she not only sang in the choir, but she played the organ during Mass, and her musical ability was a great help during the services.

Then Sam Parslow's brother went along to the priest to plead with him to do something. Other members of the congregation dropped hints and told the curé that he should put a stop to the goings on.

The growing gossip at last forced Father Pinault to send a word of warning to Isidore Poirier. "Come back at once, or else take away your wife," he wrote.

That warning merely roused the indignation of the absent husband. He sent a flaming letter to the priest, condemning the gossipers of the village, telling him to mind his own business and affirming his absolute faith in Cordelia Viau. Nor did Isidore hide things from his wife.

He penned a letter telling her just what had happened, and saying that he had told the curé to mind his own business. There was no need for her to be afraid, he wrote, and she was not to sing or play any more music in the church.

The priest was so shocked by Isidore's letter that he threw it in the fire. But he concluded that it was his duty to try and stop members of his flock from straying. Isidore Poirier, he knew, was no fool and was quite capable of looking after his own affairs, but he was thousands of miles away and he might not be able to see things quite so clearly as someone on the spot. After much cogitation, the curé had a confidential chat with Sam Parslow who decided that it might be prudent to leave the neighbourhood so that the gossip would have a chance of dying down. Accordingly he went off to Montreal and took a job in a store, trusting to letters to keep Cordelia's passion alive until Isidore Poirier returned to St. Canute.

Directly Isidore Poirier returned to St. Canute, his wife's lover went back and resumed the old relationship. The couple were as discreet as they could be, but first one villager, then another came on them together. For instance, Prosper Lapachelle, a local farmer, came unexpectedly upon her one day just as she was stopping the trap to pick up Sam Parslow some distance from St. Canute. "I shall be away all day, Sam, so we can have plenty of fun," she called to her lover before she realized that the farmer was near. That day she was going into St. Jerome, a township six miles away, in connection with a contract for her husband. It was only one of many similar assignments.

Tongues began to wag again. "She's keeping him," said the more malicious gossips.

For a time Sam Parslow went back to the corner store

at Montreal. The postmaster at St. Canute, who was also the village shoemaker as well as the leader of the choir, noted that while the husband was away Sam's letters were delivered to the Poirier house, whereas when Isidore Poirier was at home Mrs. Poirier called for the letters that Sam Parslow sent her. The postmaster, being human, drew his own conclusions.

Someone else was also very human! She was Sam Parslow's landlady in Montreal—as inquisitive as any landlady who ever raised a smile on the stage or in books since lodgers were first taken in. This landlady considered that she had every excuse. Her lodger was in her debt. He did not pay for his board and lodging and she wondered if he were keeping some woman in the country. In order to satisfy her mind, she opened his box one day while he was at work and read two of Cordelia's letters that she found there. They were signed "C.V." and one of them stated frankly "I do not live for I, but for you." I, of course, stood for Isidore.

There is an old saying that listeners never hear any good of themselves. In this case prying eyes did not read any good of themselves either. The landlady happened to come on the last letter which Sam Parslow had written to Cordelia Poirier and which was just waiting to be addressed and posted. In it Sam wrote that it pained him very much not to send her any money, but his landlady was very exacting. It was rather funny. While the landlady was blaming some woman in the country for taking Sam's money, he was blaming the landlady for taking so much that he could not send any to his mistress.

His lack of money and position became more and more irksome to Cordelia Poirier who saw only one way of altering it. The fact that it involved the murder of her husband did not seem to disturb her. When her lover

returned to St. Canute she made no attempt to curb the passion which drove her into his arms, yet, deep down, there must have been something that made her shrink from all the gossip and long to end all the subterfuges that their secret meetings entailed. She undoubtedly thought that if she could marry Sam Parslow it would turn her into an honest woman again.

Thus, during their secret meetings, she used all her wiles to excite her lover to murder her husband. In the interludes of kissing, they plotted the murder of an innocent man. She was quite callous about her husband's fate, thinking no more of killing him than of killing a rabbit or a sheep.

The black plot grew. At the back of her mind was the strong determination to reap the greatest financial benefit from the death of Isidore Poirier. That first insurance policy was a proof of the intention she had held for months. Now she began to use her inflexible will to force her husband to insure himself again. Mrs. Poirier was keen to take out a policy, but he was inclined to be diffident. Meanwhile she called to see the agent and gave him to understand that he would hear from them again.

He did. On February 17, 1897, she wrote as follows:

"I told my husband that I had been to see you with regard to our policy of insurance. I forgot to ask you for books in French. My husband wants to understand the thing before disbursing too much money. He is well decided to continue, but he wants first to understand whether if he should die by any means—by being killed or by accident, or by poison or by railway accident—your company would pay, because he has spoken to several people and they say you would not. It seems to me you told me I would be paid no matter what death my husband would meet. My husband is well decided to

continue, but he wants to understand everything properly and wants to have a French book. He is to-day in perfect health. Reply and I will arrange with you, because my husband cannot leave his work.”

The agent replied that the company made no restrictions and no matter how the death occurred they never refused to pay a policy.

A more incriminating letter than that of Cordelia Poirier is impossible to conceive. She wanted to make quite certain that the insurance money would be paid when her husband was murdered, and she had the audacity to write and asked the agent.

For the time the matter was left in abeyance. Then in June the agent was asked to call on the Poiriers in St. Canute. He chatted awhile about the benefits of insurance and the wisdom of insuring; but he found that Isidore Poirier was inclined to put it off until another day. Cordelia Poirier, however, insisted and they took out a policy for \$1,000. In July Isidore wrote for another policy for \$1,000 and paid the premiums of 33 dollars 34 cents by a note which fell due on November 24, 1897. Incidentally, if that note had not been paid, the insurance would still have remained in force until the next premium fell due early in 1898.

Through the summer months the intrigue continued, with the woman moulding her lover like putty in her hands, driving him on by her domination to commit the deed which would bring their illicit relationship to an end so that they might enjoy the money that the death of Isidore Poirier would bring them. Her letter to the agent proved quite plainly that at one time she harboured the idea of poisoning her husband, but she discarded this method—probably because she preferred her lover to carry out the crime in order that she could solace herself by the thought that her conscience was clear.

Swayed by his passion and the insidious whisperings of the woman, Sam Parslow went off to Montreal and acquired a revolver with which to shoot the husband. At their next assignation he showed her the weapon. "This will do it," he said.

"No. You mustn't use that. It will make too much noise," she insisted.

Anxious as she was to see her husband killed, she was not desirous of putting a noose round the neck of her lover, so the idea of shooting was abandoned.

The building of a church in St. Jerome took her husband there to help in the work. To avoid the drive of six miles to and fro morning and night, the couple went to lodge in St. Jerome. Just at that time a man named Nulty was being tried for murder, and the case was arousing great interest in Canada. One day Cordelia Poirier was drawn into a discussion as to how the case would end by the daughter of the house. "They will hang him," said the girl.

"No," insisted Mrs. Poirier with a vehement shake of the head. "They don't hang people now. You will yet see many others who will not be hanged!"

Was she troubled by some half-formed thoughts that her plot might miscarry and did she seek thus to reassure herself that all would be well and there was no need for her to worry?

Anyway this hard and dominating woman who was always so very careful about money gave just a glimpse of the woman who might have been if fate had led her to marry a congenial companion. "If you marry, marry someone you love, otherwise you will be very unhappy," she said to the girl.

That was the mistake for which Cordelia Viau had suffered so much, the mistake which turned her into a dominating, relentless woman who spoke with contempt

not only of her husband, but also of her lover. If she had married someone more suited to her she would undoubtedly have led a normal life unsullied by shame.

It may seem puzzling to know why she did not leave her husband and get him to divorce her. But it must be remembered that she was a Roman Catholic whose religion forbade divorce and refused to marry divorced people. She was caught in a terrible trap. The only way out she could see was the death of her husband.

She was an amazing psychological study. One part of her was very religious, the other was sex-ridden and pitiless—the devil incarnate. She and her husband and lover prayed together and sang in church on Sunday, and she thought nothing of tricking her husband afterwards in order to meet her lover.

One day towards the middle of November Sam Parslow acquired a butcher's knife. She listened to the ring of the metal on the stone as he sharpened it to give it the keenest possible edge. She never forgot the sound so long as she lived. "Klang, Klang!" rang the sound in the secret recesses of her mind. All was arranged at last. With this weapon her lover was to do the deed, to catch her husband in a drunken stupor on the bed, after they had plied him with whiskey, and kill him silently as he lay.

On the evening of Thursday, November 18, 1927, the landlord with whom the Poiriers were lodging saw Sam Parslow go by the window. Then he noticed him reappear and come back a third time. Mrs. Poirier went out and remained in the bitter cold for nearly an hour talking to him, but what she said nobody knows.

"Why don't you bring him in?" asked the landlord.

"Oh, he's a savage," she said bluntly.

A little later her husband came in from work. "Just harness up and take Parslow into St. Canute," she ordered. "You can get your tobacco and drive in to-morrow."

"I am tired, and it is very cold," he objected.

She turned on him sharply. "You must go," she insisted.

As he went out, she smiled at the landlady. "He is afraid of me and when I tell him to do anything he must obey," she boasted.

Joseph Meunier, the landlord, followed Isidore Poirier to the stable. "Why do you go?" asked Joseph, who was unable to understand why a man should turn out after a hard day's work and drive six miles on a trivial errand.

"If I didn't, it would be war," said Isidore Poirier sadly, a remark which indicated the domestic scenes that must have occurred before she set her heel firmly on his neck. The last buckle of the harness was adjusted, and the buggy drove off in the darkness.

Next day Cordelia Poirier was up before 6 o'clock, but she made no attempt to prepare her husband's breakfast as usual. Joseph Meunier, remarking on it to his wife, made a comment to Mrs. Poirier.

"I do not expect my husband back," was the answer.

"Why?" he inquired.

"Oh, he will be in liquor," she replied.

A little later there was the sound of the buggy, and Isidore Poirier walked into the room. The landlord saw Cordelia Poirier stare at her husband in great surprise, then she turned and went upstairs to her room, leaving Isidore Poirier to get his own breakfast and eat it alone.

She spoke truly when she said she did not expect her husband back. She never expected to see him again. The previous evening she had sent him, as she thought, to his death; but Sam Parslow's nerve had failed him and he had shrunk at the crucial moment from committing the crime. She did not prepare her husband's breakfast, because she thought he was already dead, and his unexpected entry into the room gave her such a shock

that she was obliged to go to her bedroom to compose herself.

That her lover should exhibit such weakness filled her with contempt, it made her more implacable than ever to bring about her husband's doom. On the Saturday evening, November 20th, the buggy was brought out in St. Jerome, and she and her husband drove off to St. Canute to spend the week-end in their own home. She announced her intention of sleeping on the Sunday night at her father's house and going back to her own home on Monday morning.

On the Sunday Isidore Poirier went to Mass and passed the time of day with Mr. Bouvrette, the blacksmith nearby, before going home.

In the early afternoon he lay on the bed, sleeping off a good deal of whiskey and a heavy meal. It was the opportunity which Cordelia Poirier had planned. Her lover crept in on the sleeping man and thrust the knife at his victim's throat, intending to kill him at one stroke. Instead, the blow missed the jugular vein and wakened the man from his stupor. In a moment he gripped his assailant and there began a desperate struggle, with Parslow striving to finish his fell work and the injured man fighting to avoid his doom.

"Kill him," urged Cordelia Viau, as the two struggled round the bed. "Kill him," she kept urging her lover.

The deed was quickly done, and the guilty couple lifted the body on the bed and arranged it so far as they could to resemble suicide, placing the knife on the pillow and arranging a bottle of whiskey, half empty, at hand.

The cold ferocity of the woman was marked by the way she urged her lover to kill. Her nerve after the crime was seemingly unshaken. Taking off her blood-stained dress, she put it in the stove and burned it, at the same time hastening to remove some of the most prominent marks

from the floor with some paper which she also burned. In her haste she missed the red imprint of her slipper on the floor, made no attempt to remove the bloody imprints which the dying man had made when he collapsed with his head against the wall and stretched out his hand to support himself.

Dressing herself in her best clothes, she went off to the Roman Catholic church and joined in the service, playing the organ as was her custom. No one in church detected any difference in her demeanour.

She was the prototype in real life of Edgar Wallace's organ-playing gangster in *On the Spot*.

Later in the afternoon the blacksmith saw Sam Parslow go to the stable and harness the horse. It was the first time he had ever seen him do the job without Isidore Poirier helping. No sooner was the horse harnessed than Sam took it out again and led it back to the stable before disappearing into the house. After an interval, he once more backed the horse between the shafts of the buggy and made everything ready. Cordelia Poirier came out, climbed up into her seat, took the reins which were handed to her, and drove off alone to her father's house to spend the night.

That evening as the blacksmith went to have a chat with his friend John Hall he glanced at the Poirier's house to see if Isidore was about. There was no light showing, and the smith was a little puzzled; again as he returned to his home that night he glanced across at the Poirier's house in a neighbourly way and saw that it was still in darkness. He thought it strange as he turned in to bed.

Early next morning, when he was at his forge, he saw Mrs. Poirier drive up and hitch her horse to a tree. She walked up to the doorstep and just as he expected her to open the door and walk in, she turned suddenly away and came over to him. "Have you seen my husband?" she asked.

"No, and I didn't see any light in the house last night," he replied. "Everything is closed up. I don't understand it."

"Just look after my horse," she said. "I have to play the music in church for a wedding, and when it is over I will try to find him."

This incredible woman went off to the church and took part in the wedding service, playing the organ for the young couple who were so happily beginning their new life together. What must her feelings have been as the service went on and the two were made man and wife? Did she think of the day when she, without any love in her heart, had heard the priest pronounce his benediction over her union to Isidore Poirier, had listened to the congratulations of the friends and neighbours. Did she think of the dreadful figure that lay waiting for her on the bed?

How could she think of anything else? Yet she played the wedding music with her usual skill and there was no sign of uneasiness in her behaviour to make anyone suspect her awful secret.

After the wedding she walked back from the church to the blacksmith's house. "Could you open the window of my house for me? I have no key, and I want to get in," she said. "They have the key."

The smith took up a turnscrew. "This will do it," he remarked, and went over with her to the house. Without much difficulty he managed to open the window, then he climbed inside and unlocked the front door for her.

Mrs. Poirier entered. "Go into the room where my husband is. I am afraid," she said.

The smith went in.

"Is my husband there?" she called.

He came out, horror shining in his eyes. "He is. His head is cut off with a butcher's knife."

Not a word did she say. She made no sound. She just stood there quite still for a few moments. Then she walked into the room and bent down over the bed, showing no sign of being affected by the terrible sight. The crucifix hung down from the wall and caught her glance as she turned away. Following the blacksmith to his house, she sat down while he hurried off to give the alarm and tell the curé.

Later on Sam Parslow arrived at the smith's house. He sat by the door opposite the woman without breathing a word about the tragedy. For half an hour they maintained their grim silence while the whole community was in an uproar over the murder, then the man went away.

Not once did Cordelia Poirier mention the tragedy to the smith or his wife throughout the Monday of the discovery. On the Tuesday morning Mr. Desormeau, a farmer who held an official position in the little community, came over to the blacksmith's house to see Mrs. Poirier, after he and other officials had spent long hours in the house of the tragedy.

"Did you get anything to eat last night?" inquired Mrs. Bouvrette.

"We found some tea and boiled it," said the farmer.

"Who allowed you to take it?" flashed out Mrs. Poirier.

"We took it ourselves," was the easy reply.

"You will have to pay for it," was the prompt answer of Mrs. Poirier. It was a remark that laid bare all the greed and meanness of her ignoble soul, the greed that drove her to insure her husband before murdering him to enjoy the proceeds with her lover.

For awhile the farmer spoke about the inquest that was to be held.

"They are making a great fuss, when it is clearly a case of suicide," remarked the murdered man's wife.

Many of the villagers believed it. The curé, overcome by the sight, had cleared the neighbours out of the house the previous morning, and as he locked the door against them his impression was suicide. The opinion spread.

The farmers who by virtue of their official positions went in to examine the scene of the tragedy were not unobservant. One of them, going to the stove, looked at the ashes and touched them. They crackled, which struck him as being strange. He had been handling wood ashes all his life and had never known any to do this before.

"It looks as though they've been burning paper," he said.

"It does," said Mr. Desormeau, who quietly went down on his knees and raked all the ashes out of the stove. Searching carefully, he came across a number of hooks and eyes, which were all that remained of the blood-stained dress that Cordelia Poirier had burned.

For a day or two it appeared as though the crime would be mistaken for suicide. Detective McCaskill, however, came up from Montreal to investigate the matter and his practised eye detected murder straight away. So many brutal injuries could not have been self-inflicted. The thumb, nearly severed from the hand, showed how the victim had grasped the knife in an attempt to save his life. The bloody prints on the walls proved the struggle, the print of her shoe gave away her presence, those few hooks and eyes showed the urgent need of destroying the dress she had worn.

"Sam," she called, when they were lodged in the cells.

"Eh?" he replied.

"Say I was not there, and it will be all right," she cried to him.

Eventually she asked the detective: "Has Sam Parslow confessed?"

"I don't know," said Detective K. P. McCaskill. "I have not seen Parslow."

"I will tell the truth," she confessed. "It was Sam who killed my husband. He often said he would give his head to rid me of my husband."

The detective, who was anxious for her to repeat her confession in the hearing of witnesses, arranged for two officers to be hiding in another room, and took Cordelia along there, saying that the cell was too uncomfortable to talk in. He was careful to give her the usual warning before getting her to repeat her confession, but the hidden witnesses were so intent on the confession that the warning did not make much impression on their minds.

Both prisoners were tried separately at St. Scholastique, Judge Taschereau presiding when Cordelia Viau was charged in the dock under her maiden name with the murder of her husband. To her lawyer she transferred all her estate to pay for her defence. Incidentally while the case was going on, Isidore Poirier's mother made a legal application to have this transfer set aside.

Cordelia Viau's counsel put up a brilliant fight to exclude her confession on the ground that she was not properly warned; he argued long to exclude the evidence of what Sam Parslow's landlady had read in the letters at Montreal, but in these and other cases the judge ruled against him.

On February 3, 1928, the end came, after a trial lasting a fortnight, and the pitiless woman in the dock was sentenced to death.

"It is quite probable that in sacrificing Parslow the accused thought she would save herself. If these were her thoughts, she was terribly mistaken, for, as the court said before, the hand that directs a crime is equally guilty in the eyes of the law with the hand that commits it," said Judge Taschereau, in his summing up.

Cordelia Viau made another desperate attempt to save her skin. Her counsel argued so brilliantly during her appeal that in June the Appeal Judge decided that neither the confession nor the evidence of the landlady about the letters ought to have been admitted, and a new trial was ordered.

The result was the same. She was found guilty, as was Sam Parslow, who told the true tale of that ghastly Sunday afternoon.

As he lay in his cell, Parslow cherished the hope that he might still evade the death penalty by escaping from prison. Somewhere and somehow he obtained a knife, in a way that was never revealed, and managed to notch the edge until it was like a saw. With this he worked as opportunity offered in cutting through the bars of the window that overlooked the prison corridor. He concealed the cuts by plastering them up with a mixture of butter and dirt, and just after midnight on March 9, 1899, he broke away the bars and got through into the corridor.

At 8 o'clock next morning on March 10th, he was due to be hanged. A roystering crowd reeled up and down the streets at St. Scholastique, singing songs and making merry as though they were at a fair. Crowds had come in from Montreal to see the execution, and their shouts and laughter reached the ears of the prisoner as he crept down the corridor. He came to the door at the end and found it locked and barred on the outside, then he crept to the other end and found no escape that way, so with only that door between him and the offices which led to the yard and freedom, he turned back to try to see if he could open it. As he did so the key turned in the lock and his gaoler came through.

"What are you doing here?" said the gaoler to the prisoner.

The prisoner made no attempt to fight. "I was sick in the night and thought I would not disturb you," was his naive reply. "I am all right," and he went quietly back to his cell.

Seldom have more disgraceful scenes been seen at an execution. It was reminiscent of the French Revolution or of the scenes in Rome when the Christians were flung to the lions. Some 800 people were admitted into the prison yard by ticket until the place was packed tight. A howling mob stormed at the gates and thronged the street, making ribald jokes and shouting and laughing and singing songs. It was an exhibition of all that was bad in human nature.

Cordelia Viau remained cold and unmoved. "He's a coward," she said bitterly more than once of her lover before the last hours came.

"Stand up," she said to him as the gaolers led them to the gallows. He was half dead before he got there and practically had to be carried, but she walked with head erect and a firm step while the mob howled horribly in her ears.

The crowd outside began to fire revolvers in the direction of the gallows. The police on the scaffold were forced to fire back in order to keep the mob within bounds.

"Keep quiet, in the name of decency," cried the priest on the scaffold as he turned to say a last prayer for the condemned.

Directly the executioner pulled the drop, the crowd near the gallows stripped away the back cloth to show the swinging corpses to the mob.

So, amid revolting scenes, Cordelia Viau and Sam Parslow paid the penalty for a revolting crime.

CHAPTER VI

THE STRANGE CASE OF LEONARD TOM

IN happier and more prosperous days Leonard Tom was a jewel broker, one of those gentlemen who carry fortunes in their pockets and attaché cases as they walk through the streets to pay their calls on customers to whom they hope to sell some of their valuable wares.

His integrity was beyond question. A man of honour, known and trusted throughout the trade, he had merely to call on the manufacturing jewellers to inform them of the jewels which he wished to submit to his customers to find those jewels placed at his disposal. And always when he took away a parcel of jewellery on approval, the unsold jewels were returned safely to their manufacturing owners.

Naturally the relations between Leonard Tom and the manufacturing jewellers and diamond merchants with whom he dealt were of the friendliest. In boom times when people were flush with money he carried out many a profitable deal for them and himself; and even when times grew bad in the luxury trades he still did his best to sell what he could and earn an honest livelihood.

On February 1, 1932, when the diamond mines of Africa were all shut down owing to the bad times and the jewel trade might fairly be described as being in the doldrums, Mr. Tom called on Messrs. M. Gerder & Co., Ltd., who were well-known diamond and pearl merchants with headquarters in Holborn. Telling them that he wished to show some jewellery to a particular

customer of his in Old Bond Street, he looked over their stock and made a selection, which he proposed to take round a day or two later for the customer to see.

On February 4th he went round to Messrs. Gerder's to obtain the jewels to submit to his customer. It was a foggy day, and knowing how easy it is for men to make an attack and then vanish in a fog, one of the heads of the firm decided that it would not be prudent to allow the jewels to be taken out. They were worth over £12,000, which is a considerable fortune, and it seemed unwise to tempt providence and the undesirable characters who hang about the purlieus of Hatton Garden by sending such valuables out into the streets of London when conditions were ideal for a hold-up.

"I've called for the goods," said Mr. Tom.

"I'm sorry, but we've had orders that they are not to go out to-day. It's too foggy," was the reply.

"All right," said Mr. Tom. "I'll look in to-morrow."

Next day about 11 o'clock in the morning he called on the diamond merchants and the valuable parcel of jewels was handed over for him to take round to his customer.

Late that afternoon the newsboys were running through the streets of London bearing placards "GREAT JEWEL HOLD-UP." The newspapers were full of it. There were the most vivid descriptions of how Leonard Tom, walking along Gilbert Street just off Oxford Street after lunch, was attacked by two men who clapped a paper covered with treacle over his face, knocked him down, grabbed the bag full of jewels and decamped in a motor car. The car, as usual, proved to be a stolen one which was later found abandoned in Lower Regent Street with the bag inside it—and never the sparkle of a diamond to be seen.

Tom, luckily, escaped injury when he was knocked down, suffering no more than the unpleasant effects of

having his eyes and hair and face clogged up with treacle. Of course no man can be assaulted and robbed of jewels worth £12,000 without being very upset. Yet out of that tragic happening he was able to extract one grain of comfort. It was fortunate that all the jewels were not being carried in the bag, for he had placed about £700 worth in his pocket after showing them to his prospective customer, and these he duly returned to Messrs. Gerder. It was a proof of his honesty.

The assault was witnessed by Mr. Stenner, the caretaker of a school in Gilbert Street, who not only raised Mr. Tom from the pavement, but was able to give some description of the men who effected the hold-up.

The police were not long in picking up the trail of the gangsters and in a short time they arrested two men named Baldock and Philpot. The latter, Alfred Ernest Philpot, was a young mechanic 28 years old with a bad record. One of his specialities was stealing motor cars, for which offence he had been sent to prison five times. He was not against using force, if the need arose, so the police had no doubt that they had laid their hands on the right men.

Neither had Mr. Stenner. The caretaker managed to identify them when they were lined up among others, with the result that both men went for trial at the Old Bailey. They protested their innocence and swore that they knew nothing about the case. If only Mr. Stenner had not been on the spot it might have been all right for them. But he was so close and told his tale so straightforwardly that the jury were quite convinced that the right men were laid by the heels. The result was that Philpot and Baldock were sentenced to three years penal servitude on a charge of conspiracy to steal. They went to prison, to burden the hard-working taxpayers with the expense of lodging and feeding them for a year or two,

and the public straightway forgot all about them and the hold-up in which they were involved.

But the underwriters did not forget, nor did Messrs. Gerder & Co. Jewels worth £12,000 had disappeared, for neither of the convicted men would or could give an inkling of what had happened to them, and the important question of who should suffer the loss was still undecided. Messrs. Gerder & Co. were a firm of the highest reputation. They were among the best-known international dealers in diamonds and pearls and their name was and is held in the highest esteem by jewellers throughout the world. The risks of their business being obvious, they naturally insured against them. It throws some light on their large turnover as well as on the subject of insurance to know that Messrs. Gerder had paid out over £100,000 in insurance premiums during the previous years.

Now, when they put forward their claim to the underwriters, the latter politely denied liability. Those acting for the members of Lloyd's pointed out a clause in the policy which stated that the underwriters would not be liable for any loss or damage caused by theft or dishonesty on the part of a broker in respect of goods entrusted to him by the assured.

This challenged Leonard Tom, against whom nothing discreditable had ever been brought in the past. Messrs. Gerder replied with a writ, which the underwriters answered in the boldest way by stating that the loss was brought about by the theft or dishonesty of Leonard Tom.

On April 6, 1933, Sir Patrick Hastings sought to prove before Mr. Justice Humphreys that the underwriters had no justification for their suspicions against Mr. Tom. There never was and never could be any doubt about the honesty of Messrs. Gerder in the matter. They had lost their jewels, they were insured against loss by theft, and

in their opinion Mr. Tom was an honest man who had suffered from a genuine robbery.

It is quite one of the most extraordinary phases of London life which may be witnessed in Hatton Garden, as Sir Patrick Hastings pointed out. If you happen to drop into the teashops there or thereabouts in the morning or afternoon you will generally find a number of men gathered round the tables drinking cups of coffee or tea and chatting and smoking cigarettes. Some are quite smartly dressed, others are shabby, but shabby and smart all seem to know each other and mingle together at the tables. If you are observant you may see one of the shabby men slip a finger into a waistcoat pocket and bring out a piece of paper which he will quietly unfold to show to the man opposite. In that piece of paper, as likely as not, may be a couple of diamonds worth enough to keep a working family for several years.

Here in this quarter of London where the jewel brokers congregate, business amounting to millions of pounds has been done while the brokers smoke their cigarettes and sip their tea or coffee. These are the men who have their fingers on the pulse of the jewellery trade, and the manufacturing jewellers and pearl and diamond merchants know them and trust them.

But you may see other men as well as honest dealers hanging around the teashops and doorways of Hatton Garden, the crooks who are always on the look-out to catch a dealer off his guard. The news of the habits of dealers, of deals in prospect and parcels of jewels that are being sent out, is whispered from ear to ear to set the underworld plotting to lay its hands on some of the loot. For every plot that succeeds there may be half a dozen failures and perhaps another dozen that never come to fruition. Yet, notwithstanding that the failures may

involve gaol for several men, that does not prevent those who remain outside prison walls from trying again.

Sir Patrick Hastings, with all his brilliant legal experience to guide him, was not likely to miss such a point. He put it very cleverly by suggesting that the underwriters thought a gang had arranged to rob Leonard Tom.

As Leonard Tom's record was clean, Gerder & Co. had no reason to question his honesty, so Sir Patrick Hastings took the bold course of putting Tom into the witness box to tell his story and answer questions like an honest man.

The broker described how he was walking down Gilbert Street when he noticed about half way down a stationary car alongside which stood two men with their backs towards him. On reaching them he suddenly felt something sticky pushed into his face and he was knocked over. When he picked himself up he realized that his bag was gone.

"It is suggested that you were a party to this robbery," said Sir Patrick Hastings.

"It is absolutely untrue," replied Tom, who swore he had never seen the men before.

Leonard Tom was fit and strong, and he had done his bit in the Tank Corps to prove that he did not lack mettle. The underwriters thought it strange that an able-bodied man who had been trained to fight as well as to think and act quickly in emergencies while serving in the Tank Corps, should make no attempt to defend his valuable possessions.

Mr. Tom admitted that he made no resistance. "I had no chance," he told Mr. Stuart Bevan, K.C.

Mr. Bevan was sarcastic. "Did you just lie on the ground until someone came and picked you up?"

"I think I picked myself up," Tom explained.

Then Mr. Bevan, in a series of pointed questions, that were met by a series of denials, suggested how Tom met a man named Mark in a teashop in Holborn at the end of January 1932 and asked him if he could find two men who would stage a hold-up while Tom was carrying jewels; how, according to Mr. Bevan, Mark thereupon brought along Philpot and Baldock to a teashop and Tom explained to them that they were to attack and hold him up while he was carrying an empty attaché case, which they were to take from him; some paper smothered with treacle thrust over his face would give a genuine look to the robbery, and when the job was done there would be £200 to be shared out between them.

"Had you an appointment with Baldock and Philpot at a teashop in Hatton Garden just before the hold-up in order to tell them that it was to take place that afternoon at a quarter past two?" asked Mr. Bevan.

"It is untrue," replied Mr. Tom.

"Did you tell them that you would wait until the street was empty?"

"I have never spoken to the men at all," was the answer.

"And that you would come through and that Baldock was to attack you with a treacle plaster?"

"I have not the faintest idea of it," said Mr. Tom, who stood up to the counsel, answering the amazing questions without waste of words, and as the judge watched the duel going on he came to the conclusion that Leonard Tom was a very clever man with all his wits about him.

"My suggestion is that you parted with the contents of your bag either in the street or in the restaurant?" said Mr. Bevan.

"The goods were in my bag at the time it was taken," was the prompt reply.

"I suggest that the two men were not on the spot when

you arrived, and so you had to fill in the time by walking about until they came."

"If I had done that and the hold-up had been arranged, it would have called attention to me and the object of the scheme would have been defeated. The suggestion is ridiculous," retorted Mr. Tom.

"Is there a quieter place than Gilbert Street between Oxford Street and Brook Street?" inquired Mr. Bevan.

"I don't know. I have never been there before," parried Mr. Tom.

"I suggest that you were there with these two men and showed them the spot where the hold-up was to take place," went on the opposing counsel.

"Certainly not," was the emphatic answer.

"Before you got to the two men, did you hear one of them say: 'Here he comes'?"

"No."

If Mr. Bevan was implacable in the course he pursued, Mr. Tom was no less so.

"As you have been in the Tank Corps, one would have thought you would have hit out?"

"I did not. I was taken completely unawares," retorted the broker.

"Next day, did Baldock come and say to you that he had read in the newspapers that £12,000 worth of jewellery was said to have been taken?"

"I never saw him," was the rejoinder.

"Did he say he wanted some money?" inquired the counsel.

"He could not," said Mr. Tom.

"And did you say you would charge him with blackmail?"

"Not a word," was the reply.

"Do you know that Baldock and Philpot met at a public-house in Smithfield on the same evening as the hold-up, and that £200 in £1 notes was distributed?"

"I know nothing about that," was Mr. Tom's answer.

On the other hand the underwriters and their counsel, Mr. Stuart Bevan, K.C., and Mr. H. D. Samuels, K.C., felt sure that he knew all about it.

Those in court wondered what was going to happen when Alfred Ernest Philpot was called into the witness box. Philpot, who stepped up with a warder on each side of him, must have found the journey from Chelmsford Prison to London and the interlude in court a welcome change after the monotony of prison life. Being in gaol and suffering the punishment that was meted out to him for the part he had played in the crime, he no longer had any reason to pose as an innocent man. On the contrary he was quite willing to talk.

According to Philpot, they discussed the attack with Tom in a teashop, after which the three met again in Oxford Street, when Tom strolled with them down Gilbert Street in order to survey the ground.

"I said I thought it was quiet enough to take the bag in, and Tom said it would do all right," explained Philpot. "We then parted. The next morning I met Baldock and a stranger at a teashop and then I went off alone to Camden Town to get a car. I found one outside a house and then I drove to Gilbert Street and pulled up outside the schoolhouse there."

The ease with which he "found" a car and admitted it were alike very naive. It was as natural as if he had walked into a shop and bought a packet of cigarettes.

"Why did you pull up at that point?" inquired the inquisitive Mr. Bevan.

"That was where I was going to take the bag, as arranged the previous day," explained Philpot.

"Was Tom there when you arranged the spot?"

"Yes. He agreed that it would do all right," was the answer.

"What happened then?"

"Mr. Tom came through from Oxford Street carrying the attaché case, but as Baldock was not there I told him to walk round again. He walked on, and afterwards Baldock came up. A little while later Tom came up and we put the treacle over his face and took the bag. We put him on the ground and then went off."

It all seemed to have been done in the most kindly spirit, without any of the rough stuff that is handed out to film stars when they simulate a hold-up for the screen. After abandoning the car in Lower Regent Street, Philpot and Baldock kept the rendezvous that evening in the public-house in Smithfield, where Philpot said he received £50 as his share of the £200. He also received three years' penal servitude—which hardly seems worth while for the sake of £50.

Sir Patrick Hastings did his best to shake Philpot's testimony. The convicted man admitted that there were five men engaged on the job altogether, but he bluntly refused to give the names of the others. According to him, one of the terms under which they worked was that their defence should be provided for, so in the underworld it seems that they hope for the best and prepare for the worst.

"I suggest that your story to-day that you and Tom were both in this hold-up was never put forward by your counsel at the Old Bailey," said Sir Patrick Hastings.

"As I was pleading 'Not Guilty', it would not be suggested, would it?" was the reply, which was unanswerable.

If Philpot spoke the truth, the underwriters were justified in their defence. The point was, could any reliance be placed on his word? He was admittedly a man who had stolen motor cars, he had been convicted of assaulting the police. He was specially brought from

prison to give an account of a robbery in which he frankly stated the part he played, a part which had brought him to penal servitude for three years. Mr. Tom had given evidence during his trial. Was Philpot seeking to involve Tom unjustly in order to satisfy his own personal feelings of animosity against the broker, or was he speaking the simple truth?

This was one of the problems that Mr. Justice Humphreys had to solve. He paid a special visit to Gilbert Street to examine the scene of the hold-up so that he would have first-hand knowledge of the neighbourhood and understand all the movements involved. Then he pondered over the evidence and wondered how much or little of the truth Philpot had told.

The mind of the judge was trained by long experience to deal with facts and sift them. He was not privileged like the man in the street to jump to conclusions. Any decision he reached had to be reasoned out step by step until he had no doubt whatever that his decision was right. His sole aim was to see that justice was done. No matter which way his judgment went, he could not avoid compelling an innocent party to suffer a grievous loss, for Messrs. Gerder & Co. were the soul of honour, as were the underwriters, yet one or the other would have to pay for the jewels looted by the thief.

"The issue therefore as between the plaintiffs and the defendants is one of importance, because the amount involved is large and it is a question of financial loss to one side or the other and nothing more," said Mr. Justice Humphreys in his judgment. "The issue, however, obviously affects Leonard Tom in a far more serious way than that: it affects his reputation—the result of this case might conceivably affect his whole future. Under those circumstances I have thought it right to apply my mind

to the evidence; and from this point of view I regard myself as a jurymen trying a question of fact, and the question of fact is: 'Have the defendants satisfied me, taking the evidence as a whole, that the loss of this jewellery must have been as the result of dishonesty on the part of Leonard Tom?' If I am satisfied of that, I have not to go on and inquire whether some jury sitting in some other court with Leonard Tom in the dock would convict him or not; I have only to say that I am or am not satisfied that so far as I am concerned the allegation has been proved. Such an issue would be almost an intolerable one to ask a single individual to decide if it were not for the fact that I had the opportunity of seeing Leonard Tom in the witness-box when he was in fact put into the witness-box as the first witness for the plaintiffs, and I heard him examined and cross-examined; and upon his story as given in the witness-box I have to some extent made up my mind in this case."

The judge dwelt upon the criminal activities of Philpot, on his refusal to disclose the names of the other men engaged, on his reason for telling the story against Tom, and he decided that the story of Philpot was so suspect that he would to all intents and purposes rule it out completely.

"Now, for these reasons I regard Philpot as a man whose evidence not only requires corroboration, but in regard to whom I am not prepared to act upon his testimony except under these circumstances. If I find here that there is a chain of circumstantial evidence which of itself makes it almost certain that Tom must have been a party to what happened in Gilbert Street on February 5th, then I am prepared to add to that the evidence of this man only because it fits in with that chain of circumstances, and that would only be to rely to a

very, very small extent indeed upon Philpot's evidence. Indeed, it may be said that if I took that view, I should be holding that Tom was a party to this matter not because Philpot said so, but because I was satisfied from the other evidence that he must have been a party to it, and Philpot merely comes into the matter in order to give evidence which I should have been quite sure was the truth whether he had given it or not, or the truth to some extent."

No seeker of justice could ask more.

Despite the loneliness of Gilbert Street and its unfrequented state, it happened that on the afternoon of February 5th a domestic servant, Mrs. Cawley, was busy cleaning the step in front of the house next to the school. She stated in court that as she knelt there she noticed Leonard Tom come along the pavement from the direction of Oxford Street and pass out of sight. A wall obstructed her view to the left and owing to the railings she could not see very far to the right in the Oxford Street direction, so she could not see where Mr. Tom came from or where he went. She just saw him walk past the front of the house and out of her sight under the cover of the wall. A little later, as she went on with her work, she noticed him walking past again in the same direction.

The judge regarded this as independent confirmation of Philpot's story that Tom came up before Baldock was on the spot and was told to come back again.

According to Mr. Henry Stenner, the caretaker of the school, the car was waiting there when Tom came along and went up to the men. Tom himself said that he saw the car waiting there halfway down the street, so there can be no doubt that the car was waiting.

The caretaker also remarked that after the attackers had pushed the paper over Tom's face, they lowered him



The entrance to the school in Gilbert Street where Leonard Tom was attacked. This photograph shows plainly how the wall on her left and the railings on her right obscured the vision of the servant who was cleaning the wide step next door to the school and prevented her from seeing where Mr. Tom went after he had passed.

to the ground. "The man holding Tom let him gently to the ground and the two men got into a car and drove away," he said in court.

Mr. Stenner admitted that he was frightened and withdrew into the gate of the school, but he came out and helped Tom to his feet directly the car drove off. Knowing that a man who is upset is liable to make mistakes, the judge remarked that what Stenner saw was confirmed by Tom himself, who admitted that he had made no attempt to defend himself, so there was little doubt about accepting the caretaker's account of what happened.

At the time of the hold-up Leonard Tom was short of cash. He had arranged in fact for a small overdraft with his banker, but when Mr. Bevan asked him if he was having a bad time just then, he was able to reply with truth that he was suffering like everybody else.

The judge was most anxious to know how the broker filled in his time between the early morning when he collected the jewels and the early afternoon when he lost them.

Tom said that he took the jewellery to show to the customer in Bond Street, and he was there for twenty minutes. Then he went into a café and had a cup of coffee, remaining there fifteen or twenty minutes. After that he went on to another restaurant where he took lunch, spending an hour over it.

Although trade was so bad and he had this parcel of valuable jewels with him, he made no attempt to call on any other customers in an endeavour to do business and earn a livelihood. According to Tom himself he was just wandering about the streets in the intervals.

But mark the effect of that on the mind of Mr. Justice Humphreys. "Now he was doing that for one of two reasons; either he was just at a loose end in spite of the

fact that he was carrying all this valuable jewellery belonging to someone else and could think of no better way of spending his time than just loafing about those streets, or else he was doing it in order to kill time."

The argument was so sound and logical that no one could disagree with it.

When the judge inquired where he went after leaving the restaurant, Tom said that he turned to the right with the intention of going to a bus stop a little further west, but while on the way there he changed his mind, crossed Oxford Street and turned his face to the east again. Quite on the spur of the moment and without any premeditation he turned down Gilbert Street as he came to the corner. He explained that he had no notion that he was going down Gilbert Street at all until he came to it—and a minute later he was lying on the ground with that treacle plaster over his face.

The judge reckoned up the possibility of a car following his erratic movements and ruled it out. The driver would have had a traffic problem to solve that would have baffled him. When Tom turned west after leaving the restaurant, a car might have followed him on the other side of Oxford Street, but when Tom crossed over to that side of Oxford Street, the car could not have followed him against the line of moving traffic. Stenner and Tom both said the car was waiting for him, so the idea of the broker being stalked by a car may be ruled out.

What remains? If Tom spoke the truth when he said that he did not know he was going to turn down Gilbert Street until he got to it, no living soul but himself could have known what his movements were going to be. As the judge remarked, he looked like a clerk, and men were not likely to choose a person like that to assault and rob.

"He was carrying a shabby attaché case in a street where there are no shops," said Mr. Justice Humphreys.

"It is no robbery of a man who comes out of a jeweller's shop, but a man whose case when it had been stolen—with the attendant dangers that there might be people about who would notice the number of the car and so forth—whose bag would probably be found to contain a few memoranda and possibly the remains of his lunch. It is putting too great a strain on my credulity to believe that that was possible."

After dealing with the way Leonard Tom spent his time that day the judge said: "I put out of my mind altogether all the questions that were put to him in cross-examination as to which he made no denial, because there is no evidence of the truth of any of the matters which were the subject of those questions, but his own evidence is to the effect that he, that morning, was loafing about those streets."

The fact that Leonard Tom said he turned down Gilbert Street on the spur of the moment and the fact that the men who robbed him were waiting for him there proved to the logical mind of the judge that the hold-up had been arranged.

"The witness Leonard Tom did not impress me in cross examination at all. He is a clever man and he answered the questions as far as he could as a clever man. He did not impress me as an honest man: some of his attempts to get out of the way in which he had answered questions satisfied me—when I say 'me' I mean me as a jurymen deciding in my own mind whether he is a witness upon whose evidence I think I can or cannot rely—he struck me as a man who was not a reliable person at all. In my view his own story is the story of something which could not have happened. This view is corroborated by the evidence of Mrs. Cawley and Mr. Stenner, and under those circumstances I consider the evidence of Philpot, who says merely that which is

pointed to by all the other circumstances in the case, is just what in truth happened."

The result was that the underwriters won their case and Messrs. Gerder & Co. lost a fortune over the stolen jewels.

In due course Leonard Tom was arrested and committed for trial at the Old Bailey. The jury listened attentively to all the evidence on which Mr. Justice Humphreys had based his judgment, but when they came to give their verdict they could not agree. One or two of the jury were quite convinced that Tom was innocent, others that he was guilty, and the cleavage of opinion was so clear that neither side could convince the other and neither side would give way. The result was that they filed into court and informed the judge that they were unable to agree, whereupon the judge dismissed them and ordered a new trial.

Leonard Tom again stood in the dock at the Old Bailey while the jury listened to the Crown prosecuting him and heard one of the directors of Gerder & Co. state that they still had complete faith in Leonard Tom's integrity and that they still entrusted him with jewels despite the loss they had suffered through the theft.

This time the jury had no doubt about their verdict. They were convinced that Leonard Tom was an innocent man, so they returned a verdict of Not Guilty, and the broker was acquitted.

Although the verdict of the jury differed so completely from the verdict that Mr. Justice Humphreys gave in the civil action over the insurance claim, it is interesting to note that as Messrs. Gerder accepted the previous verdict without making any appeal, they were unable to reap any advantage from the acquittal of Mr. Leonard Tom on the criminal charge and they were obliged to resign themselves to suffering the loss of the jewels.

CHAPTER VII

THE ORDEAL OF JONAS LEK

FEW thornier problems have exercised the mind of the judges of England than that of the missing stamps. Upon investigation it is usually found that the majority of insurance cases have one thing in common, which may be summed up as a lack of money on the part of the claimants. But in the case of the missing stamps nothing apparently could be further from truth, for instead of lacking money Mr. Jonas Lek was worth nearly £500,000. This was regarded as indisputable. His was no modest competence. On the contrary, he was a man of vast wealth with large sums of money flowing into his account. Nor was all his wealth locked up in various ventures which made it difficult for him at the moment to lay his hands on ready cash, for he was in the fortunate position of being able to spend freely and write cheques for anything that he had in mind, knowing full well that his resources were adequate to meet all demands.

Was it feasible that so wealthy a man would think of putting forward an insurance claim that savoured of fraud? Nothing could be more unlikely. There was no motive for such an action. A little money more or less to a man possessing so much could hardly influence him to risk his good name in bringing a false claim. On the face of it the problem of the missing stamps was just as puzzling as anything could possibly be, for Mr. Jonas Lek, the owner of the stamps, was a man who had maintained an unblemished reputation throughout his business career.

Born in Amsterdam, Jonas Lek went into partnership with his brother about the year 1898 and started the firm of diamond merchants known as S. & J. Lek. He was then a young man of about 22 years old, owning a half share in the business, and as the years went by the brothers built up a fine concern that made large profits. Eventually diamonds worth about £750,000 were passing through their hands every year and in 1919 the firm made a profit of £170,000. Here was prosperity almost undreamed of, with the wealth of Mr. Jonas Lek growing at a tremendous rate. Even when the trade in diamonds began to dry up in 1922 and 1923 the profits of the firm amounted to about £85,000 each year, so the income of Mr. Jonas Lek was about £40,000 a year.

Many men at that time were in a quandary. They did not know what was going to happen or what was the best thing to do. Mr. Jonas Lek concluded that it would be wiser to sell all the diamonds on hand without adding to their stocks, while his brother, influenced no doubt by the fall in prices, thought it better to buy and accumulate stocks. Unable to see eye to eye at a time when the future of the diamond trade was rather obscure, they proposed in the friendliest spirit to dissolve the partnership, which they did at the end of 1923, and Mr. Jonas Lek decided to start in business as a diamond merchant at Antwerp.

During the twenty-five years he had been in partnership with his brother, fortune had smiled on Jonas Lek. Money flowed into his account, but with a prudence that was most commendable he never spent more than half his income. Like many another wealthy man, he began to collect things, concentrating his efforts on pictures, the old Delft ware for which Holland is famous, and lastly upon stamps.

His collection of Delft ware, which grew to 700 pieces,

came to be regarded as very fine; it was stated to be one of the best collections known, and he took the precaution of insuring it for 300,000 guilders. His collection of pictures was also insured for a similar sum, while the time came when he realised that his stamps must be worth a lot of money, so he took out an insurance on them for £12,000 with Lloyd's at a premium of 9/- per cent.

Unaware of the true value of his stamps, he concluded that they could not be worth less than £12,000. Later on, however, while casting his eye over a list of the catalogue prices of some of the stamps he possessed, it dawned on him that his collection of stamps must be worth much more than the sum for which he had insured them. Thereupon he decided to value his stamps on the basis of the catalogue prices—a task that occupied his spare time for a considerable period—and as a result of that valuation he arranged with his brokers to take out another policy with Lloyd's underwriters for a sum of £44,000. This, according to Mr. Lek, was the way he fixed the value of his collection. It seems a very large sum, but when we know that the Ferrari collection of stamps sold at auction for over £400,000, and that collectors will pay thousands of pounds for a single rare stamp, it does not appear to be so very extraordinary.

An advantage that the collector of stamps possesses over the collector of pictures or pottery is that a stamp collection is so very portable. Pictures need to be hung in a gallery to show them off to perfection; pottery and porcelain are better shown in cases that will protect them from breakage, so they need a good deal of space; and in neither case is it possible for the ardent collector to carry his collection around with him on his travels so that he may feast his eyes on his treasures. This was probably one of the reasons why stamps made such an appeal to

Mr. Jonas Lek and why they became with him an absorbing hobby.

When the collection became sufficiently important in his eyes, he acquired three special albums, known as Schaubek albums, in which were spaces for multitudes of stamps of various countries, all arranged in their proper order and designed to cover the complete issues of most of the stamps ever printed by the countries concerned. There were all the blanks, with the denominations of the stamps and the year of issue printed on them, simply waiting for the collector to mount his stamps in the spaces provided.

To keep his albums together, Mr. J. Lek had a box made to fit them, carrying it about with him on his travels so that if he had any spare time in the evenings he could devote it to mounting his stamps in the proper places in the albums. Where thousands of stamps are involved, it can be imagined that the mounting of them is a never-ending task, but to Mr. Lek it was a most fascinating pastime. His aim was to collect the stamps of all the countries of the world, but as his collection of the European countries was most advanced, he had given the major portion of his time to mounting these stamps and by the New Year of 1924 his album for the European countries was fairly complete.

It was during 1923, while going through his albums and noting the catalogue prices of his stamps, that he valued his collection at £50,000, a sum for which he strove to insure it. His brokers, however, were not able to obtain insurance among the underwriters for more than £44,000.

By a most happy coincidence he found that the value of his duplicate stamps was £6,000, and, as he could lodge these in the bank, it would not be necessary to insure them, so in January 1924 he insured his collection for

By that time the partnership was dissolved, so Mr. Jonas Lek thought it would be a good opportunity to go to Madeira for a nice holiday before launching out at Antwerp. He duly packed up and made ready for the trip, but before departing he went to Amsterdam and on to Berlin to settle up some business affairs. Arriving in the German capital on February 7th, he was shown to his bedroom, where his baggage was installed; it was but human nature that he should wish to see if his collection of stamps had been upset on the journey, so he unlocked the box containing them in order to glance over the albums and assure himself that they were in order—as they were—whereupon he locked them up again.

During the next few days he was too busy to devote any attention to his collection, but on February 11th, going to unlock the box, he found that the top of the lid had been sliced off and replaced in such a way that anyone giving it a casual glance would not notice it had been disturbed. As for the albums, they had vanished.

At once he sent for the manager of the hotel. The police were informed, and the underwriters advised of the loss. Following their usual routine, the police were anxious to post up notices announcing the loss and describing some of the most important stamps so that stamp dealers would keep a look-out for them if they came on offer. Mr. Lek, however, expressed doubts whether the best method of tracing the stolen stamps was to placard their loss all over the place. He had an idea that if the police refrained from posting up placards, the thieves might give themselves away by trying to dispose of the stamps. In the end, however, Mr. Lek was persuaded to compile a list with the descriptions of the most important stamps in his collection.

This list with an offer of 2,000 marks reward for information was posted up all over the city, and it was

not long before the caretaker of a building to which rubbish was brought for destruction walked into a police office and laid down the three missing albums. He had found them tied up in a parcel lying on the doorstep of the building early on the morning of February 8th.

An examination soon disclosed that all the rare and most valued treasures in the collection had been abstracted, along with the certificates from the dealers who had vouched for their genuineness, while the stamps that remained in the albums were of small value. Obviously the job was not that of the ordinary hotel thief, who, sneaking into a room in the absence of its occupier, had just picked up the first thing of value and walked off with it. The collection was undoubtedly taken by a man who possessed a most extensive knowledge of the value of stamps, a person who could run through a collection and select at a glance those rare stamps for which collectors pay immense prices.

As the average man does not carry collections of stamps around with him, and as the average thief has no idea of the value of stamps, it looks as though the business was carefully planned. Nothing else in the room was touched, so the stamp collection must have been the sole object of the thief, and before he could bring off his coup he would have to know that Mr. Lek was carrying his collection of stamps with him to Berlin, the hotel in which he was staying, the room in the hotel and when he arrived there; he would also have to know that Mr. Lek carried his collection in that particular box, for he would not go to the trouble of slicing off the lid in the way he did unless he was sure that his booty was inside. It therefore seems that the thief knew almost as much about Mr. Lek and his collection and his movements as Mr. Lek knew himself.

But why, in going to the trouble to steal the stamps,

did he take only those rare stamps which would arouse comment among all dealers if he sought to dispose of them, and discard thousands of stamps of lesser value which were so common that he could have sold them easily without comment? Mr. Lek, going through the stamps that remained in the albums, valued them at £1,700, so the thief could have got a good sum by selling all those stamps. If he was a professional thief, stealing stamps for a livelihood, why did he deliberately throw away spoil worth hundreds of pounds?

On the other hand, if he were a thief carrying out a commission to steal these rare stamps for another collector, and was so well paid for the job that he did not think it worth his while to try to sell the stamps his principal did not want, you would imagine that in self-defence he would burn the albums and stamps in order to destroy all evidence of the theft.

The discarded albums remain a puzzling feature of the case. To Mr. A. J. R. Eveleigh, who began to look into the matter on behalf of Toplis & Harding, the assessors for the underwriters, they were so much salvage, the value of which if deducted from the main claim would lighten the loss of the underwriters.

"How did you value your stamps?" inquired Mr. Eveleigh, whose questions were rather resented by Mr. Lek.

Mr. Lek said that he took the prices in a well-known Continental catalogue, and at Mr. Eveleigh's request prepared another list by the same method. As Mr. Lek now had the recovered albums with their blank spaces to remind him, it was natural that this list of stolen stamps was much fuller than the police list, so the two men sat down together, going through the albums to note the missing stamps, and jotting down the catalogue prices of them.

Mr. Lek maintained that the underwriters should take

the recovered stamps and pay him the £44,000. Mr. Eveleigh disagreed, and at length he induced the diamond merchant to keep them and deduct a sum of £5,000 from the £44,000 for which the collection was insured. A note that subject to the underwriters admitting liability £39,000 would be accepted in full settlement of the claim was drawn up by Mr. Eveleigh and signed by Mr. J. Lek.

In a few days a letter came from Mr. Eveleigh, pointing out a clause in the policy guaranteeing that no stamp must be worth more than £2,000. In going through the list, Mr. Eveleigh had noted a 2 cents British Guiana stamp, which was apparently valued at £4,000, and he wished to call Mr. Lek's attention to the guarantee. This 2 cents rose stamp issued in 1850 is exceedingly rare and valuable and in dealing with it Mr. Lek mentioned that it was cut square. On February 23, 1924, Mr. Lek explained in a letter: "I valued the four stamps at £4,000—the 2 cents £2,000 and the three others, whereof two are entires, also £2,000. . . . I do also remember that the 2 cents British Guiana had a very little pinhole, but hardly visible.

His letter continued: "Besides, I forgot to mention in my list some strips of three or four of the second issue Mauritius and of the same country the strip of five of the bandeau type 2d. blue, which are at least £3,000 worth. Further I remember of Spain a strip of the rare 2 R. red, I think of 1856."

Up to this moment Mr. Eveleigh, regarding everything as straightforward, was prepared to advise the underwriters to settle the claim for £39,000. There was not only Mr. Lek's reputed wealth and high character to influence the mind of the agent, but there was in addition the fact that underwriters had willingly insured diamonds for him for large sums under certain Lloyd's policies

that were issued only to men of the highest standing, so he had no cause to suspect anything in connection with the stamps.

This letter, however, made Mr. Eveleigh wonder. According to his own recollection, this stamp had been valued at £4,000 by Mr. Lek who had certainly not mentioned anything about a pinhole in it.

The pinhole would of course make the stamp imperfect and depreciate its value below that of a perfect stamp, without defacing the stamp sufficiently to make it of little worth to a collector. By remembering this pinhole, which he forgot when describing the stamp to Mr. Eveleigh, Mr. Lek brought that particular stamp within the limit of £2,000 set forth in the guarantee and was able to claim for it.

The pinhole and the explanation that the £4,000 was the value fixed for the four stamps seemed unusually accommodating, so did the recollection of those other stamps. Of course, Mr. Lek was aware by now that the value of the stamps as listed was far short of £39,000, and before he could receive the £39,000 in settlement it would be necessary to satisfy the underwriters that he possessed stamps to this value.

Mention of a suspicious case that was engaging the attention of the Paris branch of the assessors, coupled with the information obtained from two Continental stamp dealers that they did not see how it was possible for the Lek collection to be so valuable as the advertisements suggested, made Mr. Eveleigh hesitate. These things, added to the doubt set up by this incident of the 2 cent rose stamp, led to Mr. Lek being asked to submit a complete list of the stamps for which he claimed the insurance of £39,000.

The diamond merchant did his best to comply. His previous lists were amplified in Madeira, and then he

drew up in Flushing a list of stamps, which became known as the Flushing list. This he sent to the underwriters as the list of stolen stamps for which he claimed the insurance money.

In the original list drawn up for the German police, the value of the stamps mentioned did not amount to much more than £17,000, but in the succeeding lists there were variations and amplifications, all of which tended to swell the value of the collection. Many of these corrections and additions showed the same accommodating nature as the 2 cents stamp in which Mr. Lek remembered the pinhole to reduce its value to £2,000, while pointing out that the £4,000 noted as the value of this stamp was really the value of a group of four stamps, of which this was one.

Suspensions, once aroused, were not easily allayed. It seemed to the agents of the underwriters rather strange that Mr. Lek was generally able to think of more stamps to increase the value every time a discrepancy was noted. For instance, when it was pointed out that there were still stamps to the value of £5,000 needed, Mr. Lek remembered two envelopes full of stamps to the value of this sum which he always kept on top of the albums and which up to that moment he had completely forgotten to mention. Yet there was only a quarter of an inch of space between the tops of the albums and the lid of the box, so the envelopes of stamps would have to be put in with care in order to close the lid properly, and every time Mr. Lek looked at his collection he would have to remove and replace these envelopes. Is it possible he could have forgotten things which he must have handled so often?

The underwriters, as one suspicious incident followed another, at last intimated to Mr. Lek that they were not prepared to pay, so Mr. Lek sued them on January 11,

1926, for the sum of £42,240 19s. 6d. before Mr. Justice Branson. Those who are familiar with the policies of Lloyd's know that they are generally stamped with a long list of the names of underwriters, all of whom undertake to pay a certain proportion of the loss in return for a like proportion of the premium. In a case like this, in order to avoid the complications entailed by citing a large number of underwriters, one of them is generally named as defendant and the other underwriters accept the verdict as applying to them all. Accordingly Mr. Henry Noble Mathews was chosen as the underwriter to be sued, while Sir Leslie Scott, K.C., and Mr. T. Eastham, K.C., followed by Mr. N. R. Fox-Andrews were ranged up to fight for the members of Lloyd's. Against this formidable array of counsel Mr. Lek pitted the intelligence of Mr. A. T. Miller, K.C., Mr. R. P. Croom-Johnson, K.C., and Mr. Gordon Clark.

For months Messrs. William Charles Crocker, the solicitors whose brilliant work smashed up the great fire conspiracy and landed many of the guilty men in gaol, had been devoting themselves to the case. Thousands of circulars were addressed and sent out all over Europe in an attempt to find or trace rare stamps similar to those which Mr. Lek claimed to possess, and not a single stamp cropped up anywhere. Dealers were consulted in Paris, Brussels, Amsterdam, Berlin and London, and their expert opinion obtained about the missing stamps, so it is certain that the underwriters would not have fought unless they had been quite sure of their ground.

They not only said that a fraudulent claim had been made and that the collection was over-insured, but they went so far as to say there was no loss at all, the latter conclusion being forced upon them by a meticulous study of all the facts connected with the robbery. Among other things, they suggested it was most unlikely that a man

who had insured his collection for such a sum would remove it from the country covered by the insurance. Whether Mr. Lek mentioned that he was taking his collection to Madeira, or whether the underwriters assumed it, is a point that is not quite clear. But if he intended to take his collection with him so that he could continue to mount the stamps while on holiday, it would be reasonable to expect so acute a business man to advise his insurance brokers to ask the underwriters to agree to the removal of the stamps from the territory covered by the insurance or else to cover the collection by an extra insurance while he was in Madeira.

The reason for depositing the albums where they were found was also very obscure. If the albums had disappeared completely, Mr. Lek could have claimed and would have been paid the £44,000 for which his collection was insured, because the value of the collection had been agreed. It would have been no difficult matter for the man who took them to destroy them utterly, so it is rather in his favour that they turned up again. On the other side one had to consider why a thief after going to the trouble to steal the stamps, should throw away a part that could easily be turned into several hundreds of pounds. The finding of the albums was therefore a factor capable of interpretation for or against the claimant whichever view happened to be adopted; but on this point Mr. Justice Branson considered that Mr. Lek had suffered a genuine loss and that it was not a faked theft.

Once the battle was joined in court it was waged with great skill on both sides. People do not attempt fraud without some motive, and the wealth and high position of Mr. Lek seemed to offer an impregnable defence to the attack of the underwriters. They did not seek to show why Mr. Lek should make a fraudulent claim; they merely set out to prove that he had done it. Their views

on the matter were stated quite frakkly in court when Mr. Justice Branson said to Sir Leslie Scott: "Your contention is that he cannot recover a penny in respect of a single stamp unless he can satisfy me by evidence that he had that individual stamp?"

"Yes, and that it was lost by theft," replied Sir Leslie. "This matter is of great public interest and also of great concern to Lloyd's underwriters, who value their name, in paying on their policies where claims are made out, very highly indeed. I wish to say that in this case, if there had been any reasonable proof and reasonable evidence of the plaintiff having had any substantial proportion of these valuable stamps, the action would not have been fought. It is because he could not account for any reasonable proportion of the valuable stamps, which the underwriters were advised that other stamp collectors would be able to do—and this action was fought for that reason only."

Taking Mr. Lek's Flushing list, which accompanied his formal claim, the legal advisers of the underwriters called in the greatest stamp experts of the day to study it. The experts were amazed at the number of rarities mentioned there. The more they studied it, the more impossible it seemed that Mr. Lek could possess all the rare treasures that he claimed to own.

Drawing on all the special knowledge they possessed, they made a list of 150 rarities on which they proposed to defeat the claim. When they came to study this list again, they concluded it was far too long to deal with in court, so they went through it very carefully, cutting down the list of items to eighty.

To the surprise of the diamond merchant and his counsel, Sir Leslie Scott presented this list to Mr. Lek with the suggestion that when the court adjourned for the day he should write down particulars of his connection with these stamps.

"I cannot trace things back twenty-five years. I cannot remember all those items," protested Mr. Lek.

"Are you surprised at the underwriters doubting your honesty under the circumstances?" asked Sir Leslie Scott.

Mr. Lek was more than surprised.

When pressed to explain how he made his collection and acquired these rare stamps, he said that he had been buying collections for twenty-five years from dealers all over the Continent and in England and that such stamps were not so rare or sought after in those days.

His implication was that it would be easier to obtain them then than now and that the dealers would not be so well aware of their value. But he did not have so much money to spend then, and if highly-priced rarities came into the market they would be beyond his reach.

"Do you know that the 2 cents Hawaii, which you claim was stolen, was almost unique twenty-five years ago? One was sold in New York in 1897 for £740," said Sir Leslie Scott.

"I did not know that," admitted Mr. Lek, whose contention was that he had bought up to 100 collections within the past twenty-five years and it was impossible for him to remember among so many how and where he had picked up these rare treasures.

Imagine a picture collector picking up a fine Rembrandt, a Gainsborough or a Titian and forgetting where he had acquired them. It is against the run of human nature. Yet some of the stamps which Mr. Lek claimed to possess were the equivalents in the stamp world of a Rembrandt or Gainsborough in the world of pictures. Could he forget where he got them if he really possessed them?

Yet he could not remember. It was too long ago. They were all bought in various places on the Continent, and

the men from whom he bought them were all dead. He could not recall their names, nor even the cities where they lived.

This was unfortunate for Mr. Lek, because if he could have remembered and some of the dealers still happened to be alive, they might have come forward to testify to having sold him these rare stamps and so proved his case—how he knew they were all dead when he could not remember who they were is a point that seems to have been missed in court. Anyway, if this set of circumstances prevented him from proving his case, it also prevented the underwriters from disproving it.

Is it possible that his mind was so engrossed in business that the securing of each of these stamps which most stamp collectors would remember for the rest of their lives was to him of such trifling importance that he quickly forgot it? If so, his memory was unlike that of most stamp collectors, as Mr. J. M. H. Wilson testified. Mr. Wilson, a barrister by profession, inherited from his father Sir David Wilson a collection of postage stamps. As a boy of eight years old Mr. Wilson began collecting stamps for himself, and developed so keen an interest in his hobby, to which he devoted all the mental powers of a well-trained mind, that he became one of the outstanding authorities on stamps in Great Britain. Moved by a strong sense of public duty, he gave freely of his expert knowledge in court and refused to take any payment whatsoever for his services.

"I would not make any profit out of my hobby," he said.

It was Mr. Wilson who prepared the list of the eighty rare stamps and he believed it would have been impossible for a collector, if he purchased any of them, to forget the source from which he acquired them.

"As a broad proposition, is it possible that during the

first ten years of this century any appreciable number of the rarities described in the eighty list could have passed through the hands of dealers without them knowing it?" inquired Sir Leslie Scott.

"I should say not, with one exception perhaps," was the reply.

"In your opinion, is it possible that the eighty list, as a whole, could have been bought from ordinary collections during the first ten years of this century?"

"I do not think they could have been bought from extraordinary collections during the first ten years of the century," answered Mr. Wilson.

"Supposing you, with unlimited money at your command, had started in 1900 to try and make a complete collection of the standard stamps of the world, including as pieces each one of the rarities included in the eighty list, would it have been a possible or hopeless attempt to do that by the outbreak of the war?" Sir Leslie Scott inquired.

"I should not have been able to obtain half of them," was the expert's reply, who added that if any of them had been bought at a London auction the fact would generally have been reported in the *Philatelic World*.

From such printed records, a list of the rare stamps sold at auction could be compiled and the buyers traced, so it would have been futile for a man to assert that he had bought certain important stamps in London if he had not done so.

Mr. Croom-Johnson on behalf of Mr. Lek fought hard to minimize the importance of Mr. Wilson's testimony. "Are you prepared to admit there are large collections in this country of which nothing is known to a great number of people?" he asked.

"I agree with you," was the candid reply. "I never knew of Sir Leslie Scott's collection until this case."

"You may never have heard of me before this case. You know I am a member of the Royal Philatelic Society?" inquired Mr. Croom-Johnson.

"Oh, yes," replied Mr. Wilson, who was himself on the Council of the Society, and later became President.

"Have you heard of a living soul who has ever seen my collection?" came the query.

"No; but I understood you to refer to collectors who were well known," was the quiet rejoinder.

There was so much that tended to favour Mr. Lek's claim to possess these rare stamps. Great finds were admittedly made from time to time. Rare stamps did turn up in unexpected places. In 1925 a great find was made in Mayfair by a lady, looking for something she had lost, coming unexpectedly on envelopes full of stamps that were sent home to her husband's grandfather from places abroad. It was a find that excited the whole stamp world, when Mr. H. R. Harmer sold the stamps. Now and again a single stamp in the list of eighty had been offered for sale in the market. An unknown stamp was found in Paris after Mr. Lek's collection was stolen. And Mr. Croom-Johnson made much of a fine old collection of stamps found in Madeira by Mr. David Field, with a large box containing stamps that had been preserved with the entire envelopes as sent through the post—a form known as "Entires" to collectors and regarded as very valuable because the fact that they were on the original envelopes and had the original postmarks on them with the date was a proof of their genuineness.

"I probably know more about the Madeira collection than anyone in existence, because I purchased the collection," was the startling reply of Mr. Wilson, who is now Sir John Wilson.

The improbability of Mr. Lek being able to collect the stamps set forth in the eighty list was emphasized by

Mr. T. W. Hall, a solicitor who had gathered in forty years a collection of 750,000 stamps which filled 200 volumes. For six years from 1917 to 1923 he was Vice-President of the Royal Philatelic Society, and at the time the case was being fought he occupied the most important position in the stamp-collecting world, being President of the Royal Philatelic Society, and one of the six members of the expert committee to which the stamp collectors of the world submitted stamps for an expert opinion. Like Mr. Wilson, he gave evidence solely in the public interest. "In my opinion it is absolutely impossible for anyone to have collected stamps included in the eighty list in the way that has been described by Mr. Lek. Some of the minor varieties might possibly have turned up, but as to the whole it was not possible. In all the large number of collections I have ever seen I do not think I have ever seen more than two or three of the specimens included in the eighty list," he said, and added that some of the items were such acquisitions that no collector could possibly forget where he got them.

Similar testimony was given by Mr. W. D. Beckton, a Manchester solicitor who was for thirty years the President of the Manchester Philatelic Society, besides being a Vice-President of the Royal Philatelic Society and a member of their expert committee. Numerous gold medals had been awarded to his collection and he was acknowledged as one of the foremost stamp experts of the world.

Mr. B. Goodfellow, another solicitor and President of the Manchester Philatelic Society agreed that it was impossible for Mr. Lek to have collected the stamps in the eighty list as stated. His name, like that of Mr. Beckton, was inscribed on the roll of the world's twenty-five most distinguished philatelists.

This weight of evidence given by the leaders of the

stamp world from a public sense of duty was most impressive. One and all refused fees for devoting their time to the case. They were concerned only with a desire to state the truth. They had nothing to gain or lose in the matter.

Mr. Lek tried desperately to counter the blow by calling English dealers from whom he had bought stamps. Mr. Ernest Harmer was able to testify that the diamond merchant had purchased from him stamps to the value of about £2,500 during the past few years; one or two other dealers told of purchases that had been made, so there was little doubt that Mr. Lek must have spent between £7,000 and £8,000 on stamps within five years. But the vital fact on which the underwriters relied still remained unassailed, for not one of these dealers was able to say he had sold Mr. Lek stamps that were in the eighty list. Continental collectors and dealers filed into the witness box to say they had seen his collection, but when it came to these particularly rare stamps none of these gentlemen could say anything definite about them. It is true that a diamond merchant living in London, who was also a collector of stamps, came forward to swear that Mr. Lek had shown him a double Geneva stamp, which was one of the rarities in the disputed list; but to prove possession of one rarity only after claiming to own eighty was almost farcical.

As Mr. Lek could not remember where he had acquired all these rarities, the best he could do was to suggest that Holland in the early years of the century was a fruitful field. The underwriters promptly crushed the assertion by calling Mr. Houtzamer, a Dutchman, who had no illusions about his native country. For years he had traded there before coming to London, and it was known as such a poor market that if any rarities were discovered there they were usually exported for sale.

Even in 1900 the stamps in the eighty list were known as rarities, and he had never heard of the 2 cents British Guiana or the 2 cents Hawaiian changing hands in Holland.

It came out that Mr. Houtzamer was approached to give evidence on behalf of Mr. Lek.

"Why did you refuse?" queried Mr. Croom-Johnson.

"It looked to me very fishy, and I would not be mixed up in it," was the reply, which must have made the counsel wish he had left the question unasked.

Unhappily for Mr. Lek, someone remembered that he had been connected with an earlier stamp case in the English courts. Apparently in 1913 he sued a man named Lowden at Bow Street for selling him 2,683 used English £1 stamps that turned out to be forgeries. During the hearing of this case Sir Archibald Bodkin asked him how long he had been collecting stamps.

"It may be between about a year and a half to two years, I do not know exactly," replied Mr. Lek.

Yet in January 1926 he was swearing in the witness box that he had been collecting stamps for twenty-five years. Both statements could not be true, and Mr. Justice Branson decided that in 1913 Mr. Lek told the truth because there was no reason why he should have done otherwise.

It was a nasty dilemma for Mr. Lek, who dealt with it as skilfully as he could on the spur of the moment. He sought to persuade the judge that as the action at Bow Street concerned only English stamps, he confined his answer to saying how long he had been collecting English stamps, which was two years—an ingenious explanation which it would seem the judge refused to accept.

Earlier in the case Mr. Lek was asked if he had been dealing in stamps, a suggestion that the diamond merchant repudiated; but this transaction with the forged stamps

did not tend to make his word any the more acceptable.

There were among the stamps in the recovered albums a number of forgeries, and later on it was suggested that the majority of his rarities may have been forgeries that were planted on him by unscrupulous men who took advantage of his ignorance to extract big prices for worthless pieces of paper. In this case, if he did not know they were forgeries, he would honestly think he possessed these rarities and there would be nothing fraudulent in his claim. The forged stamps among those recovered gave a semblance of truth to this theory. It was also a fact that he had sold stamps to a man who found out that they were not genuine, for Mr. Lek admitted having refunded the buyer's money.

One thing at least was obvious. Such a transaction could not fail to impress on Mr. Lek the fact that faked stamps were in existence and he could not plead ignorance of having had some in his possession. An experience like that would surely induce him to submit his rarities to an expert for an opinion.

If he did this—and his claim to have lost the certificates of genuineness as well as the rare stamps goes to confirm that he did—he was placed in a cleft stick, for one thing was incompatible with the other. The statement that there were certificates to prove the genuineness of the rare stamps precluded him from taking full advantage of the suggestion that the stamps might have been forgeries.

It was definitely proved that Mr. Lek in his Flushing list claimed to possess stamps in a form which could not possibly exist. For instance, he said he had a horizontal strip of four of the Mauritius 1s. vermilion which he valued at £800, as well as a strip of five of the 2d. blue valued at £800. But the actual plates from which these stamps were printed contained twelve stamps made up of four horizontal rows of three stamps, so he could not

have a horizontal strip of more than three stamps; in a similar case he claimed for a strip of eight stamps when the stamps were not printed in strips of more than seven in number.

Sir Leslie Scott questioned him about a strip of five Mauritius stamps.

"I know now," said Mr. Lek. "I have got the leaf in front of my eyes; I know I had one with five; it was long; it was only one strip with five; it must be the bandeau type, a long one vertical."

He was told it was impossible and asked if he would like to correct himself. "You would not like to change your mind and say the strip of five was a block?" suggested Sir Leslie Scott.

"Nothing of the kind," was the heated reply of Mr. Lek.

Quietly a small sheet of copper was produced. Mr. Lek watched apprehensively as it was handed to him. It was the original plate, loaned by the Royal Philatelic Society, from which the stamps were printed, and there, refuting his assertions, were three vertical rows of four stamps, engraved in the metal. It was one of the most dramatic moments of the trial. To prevent further stamps from being printed from the plate, it was scored across by the engraver.

It is interesting to note that this plate was part of the blank side of a larger plate which was previously engraved to advertise a local hotel; owing to the great difficulty of engraving twelve stamps by hand exactly alike, each shows slight variations which can be seen quite plainly in the original copper plate.

The Post Office Mauritius, which is worth a fortune, was engraved on the instructions of the Governor by a local silversmith who, instead of engraving the words "Post Paid," engraved the words "Post Office" in error. The majority of the stamps printed from the plate were

attached to invitations to a ball at the Governor's House, which makes it certain that nearly the whole issue was used and destroyed, and this accounts for the rarity of the stamp.

The 2 cents rose British Guiana—the stamp which first aroused the suspicions of the underwriters—was almost unknown as a single stamp cut square, the form claimed by Mr. Lek; among the only other ten copies known to exist, the round form was usual.

Another unknown stamp which the diamond merchant swore to owning was a 1 mark German stamp with the centre printed upside down. He must have been very surprised to learn in court that this particular stamp was engraved in one piece and printed in one colour, which made it utterly impossible to invert the centre. He also claimed to have combinations of Ceylon stamps which Mr. Percy de Worms, the greatest authority on Ceylon stamps, had never seen in his life.

For six days Mr. Lek stood up in the witness box to try to prove his claim. Questions rained on him. Sometimes he lost his temper. More than once he denied things which he was afterwards forced to admit. For thirty days Mr. Justice Branson watched and listened and made his notes as the witnesses came and went. In the end the judge considered that Mr. Lek in the first place had suffered a real loss; but from the moment he drew up his Flushing list it was quite plain that he was guilty of putting forward a claim which he knew was fraudulent.

"I think in fairness to Mr. Lek I ought to conclude by saying this much," said Mr. Justice Branson in his judgment. "I have not very much doubt that when Mr. Lek took out this insurance he took it out not intending to defraud anyone at all. I think the real fact of the case was that, not having made a valuation, as he

says he did, but having looked over his stamps and having seen that he had a lot of nice ones, he said: 'My stamps are worth £50,000, and I am going to insure them for £50,000.' It pleased him to think that he had got so valuable a collection, and it may well have pleased his collector's vanity to be able to say to his friends:— 'Why, I have got my stamps insured for £50,000.' I am quite ready to believe that at the outset he had no intention of defrauding anybody; and I am also ready to believe that there was a genuine theft of stamps in that hotel in Berlin. I think that his trouble arose there. If there had been no such theft of stamps, all would have gone on perfectly well, but, there having been the theft, and the albums having been found he was faced with the difficulty that he had got to get into those albums and into that box a value in stamps which was out of all proportion to what they had indeed contained. . . . I can only say, as I have already said, that it is with the greatest reluctance that I have been driven to the conclusion that this man, who has hitherto borne a most excellent character and who entered into this transaction without any intention to deceive, has been led, unfortunately, by the circumstances in which he found himself, into the position in which he now finds himself."

Mr. Justice Branson, who had watched Mr. Lek for six days in the witness box, and had tested his truthfulness from time to time, was in no doubt about the justice of his verdict.

But Mr. Lek could not rest content without making an attempt to clear his name. To him that was the main thing that mattered now, so the eminent counsel who had contended for weeks before Mr. Justice Branson resumed their battle before Lord Justice Bankes, Lord Justice Scrutton and Lord Justice Atkin in the Court of Appeal on May 5, 1926. The possibility of stamps being forged

was now stressed, and both Lord Justice Bankes and Lord Justice Atkin were troubled over the difficulty.

"Assume that they were not real stamps, they were still real pieces of paper; and the fact that he was unable to produce corroboration of his possession of them applies equally whether they were real or forged," explained Sir Leslie Scott.

Logic is very ruthless.

Mr. Miller fought hard for his client: "So long as Mr. Lek got rid of the charge of fraud he was content for that purpose to have the value of his collection taken to be the lowest figure at which it had been put by any expert," said the counsel.

Mr. Lek's attempt to clear his name was for the moment crowned with success, for while Lord Justice Scrutton agreed with the verdict of Mr. Justice Branson both Lord Justice Bankes and Lord Justice Atkin were agreed that it was wrong.

For awhile Mr. Lek enjoyed his triumph. But it was just the lull before the final legal battle. The underwriters had no doubt that the claim was fraudulent, and it was not the money involved, but the larger duty they owed to the business community which animated them to carry the case to the House of Lords where Viscount Sumner, Lord Phillimore and Lord Carson began to hear the appeal on June 20, 1927.

Up to that moment two judges had found Mr. Lek was guilty of fraud and two that he was not guilty. It just goes to show the difficulties of the case, how hard it is for the judicial mind, or the mind of the ordinary person, for that matter, to reconcile that a man of wealth and unblemished character might be guilty of a fraud. Even Lord Phillimore after hearing the case in the House of Lords could not bring himself to believe that Mr. Lek was guilty.

But it was otherwise with Viscount Sumner, whose judgment dealt so minutely with every point in the intricate business that a whole book might be written on it. "A good deal has been made of Mr. Lek's antecedents and position, quite legitimately, because these matters go to the improbability of his engaging in a vulgar fraud," he said. "His family was of unimpeachable respectability and he himself was much respected. He was worth more than half a million of English money and what is more he had made it himself. His assets were largely liquid and he had cash and diamonds in plenty. If he lost his collection of stamps, still he had other collections—porcelain and Delft, tapestries, pictures and eighteenth century French furniture. Was he the man to depart from the path of rectitude for a sum which must have seemed insignificant to him? Was he the man to risk prosecution and imprisonment, when he had all the good things of this world already in his grasp? . . ."

Viscount Sumner answered his own questions in no uncertain terms: "I do not think that very rich men, especially when they have made their money for themselves in a busy trading career of a quarter of a century, are much disposed to say that money which they claim to be entitled to is not really worth troubling about. Self-made rich men may squander money on their whims, but they do not readily let large sums slip out of their grasp because they will not take the trouble to resist. Habit makes them keen not only to get money, but to win in a contest of which money is the prize, and even to a demi-millionaire the sums at stake in this claim were important enough to whet his ardour; they were not such as he might resign without a struggle. Of course his integrity might forbid Mr. Lek to say, for any consideration on earth, one word which he did not believe to be true, but if this is the kind of man he was, the case is at an end. For the

purpose of the issue whether such a man as he was would be likely to make a false claim, one must not simply assume the contrary; one must weigh such evidence as there is, and, in my opinion, riches and respectability are a guarantee of honesty that does not go very far. On the hypothesis that another view of him is possible I will further observe that the risk which he ran might not seem to him considerable. If he named a valuable stamp and said he had it, how were the underwriters to prove that he had not? I can well understand that Mr. Lek, out of patience with the underwriters, who had drawn back from the edge of a compromise and now showed fight, was minded to win by hook or by crook, and was but little restrained from vowing that, if they found a gap in his figures for him to fill, he would find them stamps to fill it with. Was not Yvert & Tellier's catalogue always at hand?"

With all the deadly logic at his command Viscount Sumner dealt with point after point in the most lucid manner, how Mr. Lek had no invoices, no receipts, no paid cheques, no counterfoils, no correspondence to prove his possession of these rare stamps, how improbable it was to have this rarity and that one, how one man wrote that he had sold Mr. Lek a rare stamp and admitted in court that it was another stamp, how all the witnesses he called were able to prove practically nothing about the eighty list.

Describing the forgery theory as fantastic, Viscount Sumner said: "Furthermore, it appears to me that the more credence is given to Mr. Lek's general story, the less can forgeries be the explanation of his difficulties. If, as he says, he bought these rarities in the early years of this century, fabrications of them, if any, would be fewer, and the likelihood of Mr. Lek having chanced upon a considerable number would be so much less. If, as he says,

probably with much truth, many stamps, now rare and valuable, were then relatively common and cheap, it is the less likely that they would be imitated at all, for I suppose, except to keep one's hand in, there is not much point in taking the pains to forge anything that is cheap and plentiful already. If, as he says, many, which were then accounted rare, have since been found to be common, the scantiness of his means protected him in those days and he would have passed them by, forgeries and all.

"The account which he gives of the manner in which he accumulated his collection also throws difficulties in his way. He says that he bought from dealers actual collections formed by amateurs, but a point would soon be reached where the duplicates to be resold would far exceed the stamps to be retained for the collection, that this method would become intolerably cumbrous. It would be like buying haystacks in order to complete a collection of needles. If, however, this is the channel by which Mr. Lek acquired his hypothetical fabricated rarities, was it on the amateur, who had to sell, or on the dealer who bought from him, that they were originally planted? Did the dealer, perhaps, insert them in his purchases before Mr. Lek's arrival in order to bait his hook? Whichever way it was, Mr. Lek was extraordinarily unfortunate in being so often victimized in the shops of dealers, whose names he cannot now recall. If the contention is that Mr. Lek—rich, ignorant, self-confident and keen—would be an obvious victim the answer is that it must first be shown he was known as such to the forger or the utterer of the forgery, and also that he was a recurring customer, or why should he have been so often taken in, buying now here, now there, now in this country, now in that, as he would have us believe. If he dealt over and over again with two or three men

who got to know his weak spots and took advantage of him we should have had their names. If he forgets their names because he had infrequent or only single dealings with them, what was there about him that stamped him to their crafty minds as a natural and unresisting prey?

"It seems to me that what has really made both this forgery theory and this construction of the claim attractive has been a strong reluctance to say that Mr. Lek has tried to cheat and has backed his efforts by perjury. This has been supported by a canon, new to me in the form employed, to the effect that such a man as Mr. Lek cannot be convicted of this so long as any reasonable possibility remains of explaining his conduct otherwise. I am afraid I look at it differently. I am just as reluctant to make the underwriters pay Mr. Lek many thousands of pounds, if he has been guilty of making a false claim, as to find him guilty of it if he has not. The whole question is whether it has been proved; and I think it has."

Lord Carson agreed, and the underwriters, who spent a fortune to defeat a fraudulent claim, returned once more to their lawful occasions.

By claiming to possess rarities which never existed, more particularly the amazing number of multiple pieces in stamps which are not found in this form, Mr. Lek affronted the sense of justice of the world's greatest philatelists and was defeated by their expert knowledge.

CHAPTER VIII

A CARDIFF JEWEL ROBBERY

AN agreeable manner is essential to success on the road, a fact of which Mr. Leonard Sydney Silverman was well aware, so to the ingratiating spirit of his race was added an urbanity that called forth a kindly welcome from his customers, even when trade was bad. This, in itself, was an asset. It enabled him to keep in touch with his business friends, and if it did not always produce orders it was often responsible for promises of favours to come.

Listening attentively to tales of bad times, he might admit that things were rather quiet, but there was always reasonable hope of an early improvement. Seldom did he fail to persuade a customer to have a look at his stock, which contained some of the latest designs that were bound to interest the trader. And he would open his cases, which the uninitiated might think were so like thousands of others that their contents were quite ordinary, only to disclose flashing rings and pendants worth a fortune.

For Mr. Silverman to stroll into the average household and disclose his jewels would savour of a conjuring trick, simulating a scene from the Arabian nights. But to the jewellers who cast their eyes over his wares it was as commonplace an incident as it was to Mr. Silverman himself. A coal mine is no strange place to a miner, however unusual it may be to a stockbroker; and to Mr. Silverman the sight of diamonds and pearls was no more than the gleam of the coalface to a collier. So his

index finger would reach down to a tray of rings while he screwed his jeweller's glass into his eye; then the semblance of a smile would light his face as he dropped the glass dexterously into his hand and held out the ring for the client's inspection.

"That's a nice stone," he would probably say.

His client could never disagree, for Mr. Silverman knew what he was talking about. And when Mr. Silverman lit up one of his cigars it gave forth a most pleasant aroma, for he was partial to a nice cigar and was not unmindful of how persuasive one could be between the lips of a customer.

Experience taught him when to talk and when to listen, just as it indicated to his alert mind the right moment to interject a remark that might clinch a deal. In return for his client's summing up of the trade in that particular neighbourhood, Mr. Silverman could impart a knowledge of the state of trade in all the towns and cities in South Wales and in England which he was in the habit of visiting to dispose of his wares.

Who should know better than he? Was he not travelling about with his cases of jewellery while the secrets of trade were being poured into his ears? There was no need for his customers to tell him when trade was booming: his order book told him that. And he needed nothing more cogent than a paucity of orders to prove that business was dull. So he went his rounds, doing business when the opportunity served and making the best profits he could obtain in a trade where competition was keen. His alert eye could detect a minute flaw in a gem sooner than most, and there was no more chance of foisting on him a doublet—such as the sparkling face of a diamond cemented to a back of white sapphire—than there would be of persuading the curator of the National Gallery that an oleograph was a genuine Rembrandt.

Of course Mr. Silverman got on. He got on so well that in time he was able to enter into partnership with Mr. Max Friedman and Mr. Harold Samuels, who jointly ran the firm of Reed & Co. From 1918 to 1920 Mr. Silverman retained this partnership, then gradually his large circle of customers learned that he had given it up and started in business for himself.

The capital at his command, something under £2,000, was not particularly large for the trade in which he was engaged. On the other hand it was no drawback, for as the manufacturing jewellers knew him so well they were quite willing to provide him with stock to the value of thousands of pounds to be sold on commission.

This, apparently, is one of the customs of the jewellery trade and on the whole it seems to work very smoothly. A jeweller's traveller is not like other travellers. The representatives of a cloth manufacturer or a silk manufacturer can take out a set of patterns on which they can do all their business. But the jeweller's traveller is more severely handicapped. When wealthy customers call at a jewellers with the intention of acquiring a diamond or pearl necklace, or a single stone diamond ring of five or six carats in weight, they want to see what they are buying. It is the jeweller's business to supply them with what they want. Often he finds that however big the stock he carries it is generally something in a catalogue that would be most likely to suit the customer. Uncertain whether he will effect a sale, he is unable to give a definite order for the gems, which must thereupon be obtained on approval. This means obtaining them from a traveller or else direct from the wholesaler.

In either case it is patently impossible for the wholesaler to insist that the traveller or the jeweller deposit the cash value of the jewellery that is to be submitted on approval. The wholesaler who tried to do business on

these lines would soon have to close down, while the jeweller who bought outright every piece of jewellery for which a customer made a tentative inquiry would quickly expend all his capital. As for the traveller, he could not reasonably be expected to pay thousands of pounds for the stock which he carried round from town to town in the hope that he would be able to dispose of some of it and so gain a livelihood. The difficulties of the trade are plain, and without mutual trust it could hardly be carried on.

Obviously the wholesalers had faith in Mr. Silverman, for he was able to carry round with him a most valuable stock, which was absolute proof that they trusted him. And in his first year, at any rate, he seems to have done quite well for himself, for his capital steadily increased.

Dropping one day into his Birmingham office, which was on premises occupied by Mr. E. F. Rudge, a manufacturing jeweller, Mr. Silverman opened up his cases. The sight of the contents induced Mr. Rudge in the friendliest manner to raise the question of insurance.

"How much are you insured for?" asked the manufacturer.

"£3,500," replied Mr. Silverman.

"Not enough for the stock you carry round. You ought to take out a policy for at least £10,000. It is wiser to over-insure than under-insure," said Mr. Rudge.

Mr. Silverman, impressed by the remarks of Mr. Rudge, wondered about the premium. "How much will it cost?" he inquired.

"I will ask my broker, if you like," said the manufacturer, who did so in due course, and learned that the terms were rather too high to accord with Mr. Silverman's ideas.

That conversation served to awaken Mr. Silverman to the risks he had been running in insuring for so little and

carrying so much. It was a matter which gave him considerable cause for reflection. Knowing full well, as a keen business man, that what could not be bought in one market might possibly be acquired in another, he pursued his inquiries for a policy of £10,000 on his stock, and eventually in April 1922 insured with the underwriters at Lloyd's at a premium of 10/- *per centum*.

It was another indication of Mr. Silverman's acumen, for Mr. Rudge himself paid £1 per £100 to insure all the stock he sent round by travellers, whereas the stock he retained on his premises in his safes cost him no more than 5/- per cent to cover.

Writing out his cheque, Mr. Silverman received in due course his insurance policy and went on making his accustomed calls. He remained as agreeable as ever, just as willing to listen to a customer or to enjoy a good cigar; but if his brows were sometimes knitted in perplexity or a worried look occasionally crossed his face after he had closed his order book for the day, his customers remained pleasantly unaware of it.

During the last week of June 1922 Mr. Silverman was back in Birmingham, very much immersed in his business affairs. He was not one of those men who refuse to discuss business out of business hours. On the contrary, he was always prepared to try to create an interest in his wares at any time.

However little money a man may have in the bank, it is difficult to resist a friendly offer to examine a gleaming jewel that is held out for inspection. The costlier the jewel, the more difficult it is to resist taking it in the hand to have a look at the bauble that represents such a snug sum of money.

Mr. Silverman was well aware of this trait in human nature—he would have been a poor salesman of jewellery otherwise—and it could not fail to influence his actions.

Anyway, when he received an invitation to dine with some friends on the evening of June 28th, he went to those two ordinary-looking bags of his and, glancing over the contents, took out a lovely string of pearls. Their fine colour could not fail to win a word of praise from the expert, while no woman could resist the desire to possess them. Mr. Silverman, looking at the pearls, dropped them casually in his pocket. Then his fingers groped among the trays of rings and extracted a fine diamond that he valued at £600.

Locking his cases and putting them away, Mr. Silverman took his hat and went to join his friends at dinner. It was a most pleasant party. He enjoyed the meal and the company, and as soon as an opportunity served he produced the pearls from his pocket so that his friends could appraise their beauty and value. Words of approval were showered on the pearls and the diamond, but if Mr. Silverman really had any hopes of effecting a sale he was disappointed. Replacing the jewels in his pocket, he bade his friends good night and went home to bed, leaving the jewels still nestling in his pocket.

Next morning he took his two cases of jewels to Birmingham railway station and travelled with them to London. Hailing a taxi-cab at the station, he put the cases inside on the seat and went to pay several business calls. Each time he paid a call he left the cases of jewels in the cab, without devoting any special attention to them. Pulling up outside Lloyds Bank, he disappeared inside and for an hour and a half the jewels were lying unattended on the seat of the taxi. It really seemed to be rather careless of Mr. Silverman.

Not that he worried. The dealers and travellers in the jewellery trade are so used to carrying jewels worth fortunes in their pockets or cases that they soon adopt a matter-of-fact attitude toward them.

The ordinary person, given a case of jewels worth thousands of pounds, would cling to it grimly to ensure that nothing happened to it.

But many of the men who travel in jewellery aver that the best way of ensuring the safety of their cases is to treat them as though they contained nothing out of the ordinary, whereas to make a fuss over them and to guard them carefully is the finest way of indicating to some light-fingered lifter of bags that there is spoil worth purloining. There is, of course, a lot to be said for this argument.

Mr. Silverman must have been quite in agreement with it, for just after 3 o'clock he drove into Paddington station, selected a first-class compartment in the train to Cardiff, dropped his cases of jewels in the rack over the seat and settled down comfortably alone in the carriage as the train drew out. Just after 4 o'clock the attendant came along the train to tell the passengers to take their seats for tea. Mr. Silverman, concluding that a cup of tea would help to break the tedium of the journey, left his compartment and walked along the corridor to the restaurant car, leaving his cases of jewels reclining in the rack of the empty compartment and paying no more attention to them than he had done in the morning. They were, as I have remarked before, quite ordinary cases, and their locks were ordinary, too, so there must have been thousands of keys about the country that would have opened them if anyone on the train had been inclined to see what the cases contained.

Obviously Mr. Silverman concluded that the cases were quite able to take care of themselves. Enjoying his tea, he settled his bill and made his way back to his compartment where the cases still remained in the rack.

He was not devoid of intelligence. He knew quite well that many men would have given several years of their

lives if only they could walk off with his cases. Indeed he had on occasion remarked that members of the underworld took an interest in his comings and goings. Knowing this, he was still content to stroll casually from his compartment to the restaurant car for a cup of tea, spend a quarter of an hour there enjoying his refreshment, and then resume his seat, relying on a casual glance at the cases in the rack to assure himself that they were all right.

At 6.30 the train pulled in at Cardiff station, and Mr. Silverman had his cases transported to a taxi-cab whose driver was instructed to drive to the Royal Hotel. During his many visits to Cardiff he had often stayed at the Royal and was well known there.

The cashier ran her eye over the vacant accommodation. "Room 110, third floor," she said. "Are you going to put your stock cases in the safe?"

"No, I'm expecting a customer," said Mr. Silverman and turned to the porter. "Bring my cases up."

Entering the lift with his cases, he was taken to the third floor, where he was conducted to the room. "Where's the key?" he inquired.

There wasn't one, and the maid told him so.

"I'm sorry this won't do. Would you mind changing it for a room with a key?" he inquired—not an unusual request for a man with a fortune in his possession.

"I'll just go down and see, sir," replied the maid and went down to the office. She came back with the key of room 101, in which room Mr. Silverman was installed with his cases. As he had slept there during his previous visit to Cardiff, he was quite familiar with it.

After having a wash, he locked the door of his room and went downstairs, where he telephoned to a Cardiff jeweller, to whom he had already written saying he would like to see him at the Royal Hotel.

"I'm sorry he's away," said the voice at the other end

of the wire. "He won't be back until very late. It will be too late for him to come to see you."

Mr. Silverman hung up the receiver and went out of the hotel, to return a little later for dinner. After finishing his meal, he went upstairs and unlocked his suitcase, from which he took two cigars, which he placed in his pocket. Then he locked the door and went down to the entrance floor.

"If my friend calls, tell him I have gone to James Street and ask him to come there for me," he said to the man on duty.

Taking a taxi-cab outside the hotel, he told the driver to drive him down Bute Street until he came to the corner of James Street. It was rather a low quarter of the city and the police were often called upon to handle some very tough customers there.

Mr. Silverman, as it happens, still had those pearls and that valuable ring and other jewels in his pockets, and it therefore seemed that the safest thing to do in a rough neighbourhood was to drive straight up to the door of Mr. Abbott, in order to avoid running the risk of walking in a neighbourhood where a crook might easily knock you down and rifle your pockets and make off with the spoil before you could raise an alarm. Mr. Silverman did not think like that. To his mind, the stopping of a taxi outside a jeweller's shop would have called attention to him, and this would have been more dangerous than stopping the taxi at the end of the street and walking down the street with a pocket full of valuables worth £3,200 in a neighbourhood where assaults were common. Perhaps he was right.

Anyway he called on Mr. Abbott and showed him the pearls and other jewellery. The two men spent about two hours together, discussing trade and other things in which they were mutually interested. Whatever may be

uncertain, it is certain that the streets of Cardiff at night had no terrors for Mr. Silverman, that there was no fear in his mind of being assaulted and robbed of the gems in his possession, for he walked back to the Royal Hotel. It was about 10.30 when he arrived.

"Your friend has not been in, sir," said the hotel attendant.

"All right," said Mr. Silverman, turning away.

A little while afterwards a lift attendant named Hillyer saw him coming down the stairs of the hotel to the entrance hall. There was an unlighted cigar in his mouth, and apparently he had no matches, for he asked one or two people for a light.

Leaving the Royal Hotel, Mr. Silverman walked along to the Queen's Hotel and inquired for someone who was staying there. As it was nearly 11 o'clock, his friend had turned in for the night, so Mr. Silverman, walking back to the Royal Hotel, got the liftman to take him up to his room just after 11 o'clock.

Hillyer had barely left the lift at the bottom than the lift bell started to ring frantically. Stepping swiftly inside, to note that the call came from the third floor, he at once sent the lift speeding up. Mr. Silverman confronted him. The jeweller was quivering with excitement, saying that he had been robbed, that someone had broken into his room and stolen his stock.

"Stay here while I go and get the manageress," he said to the liftman when they came to the room.

Mr. Silverman went down and grabbed the manageress by the wrist. "I've been robbed!" he said.

The place was in a fearful mess. The two cases in which Mr. Silverman carried his stock were lying cut open, ring cases were scattered over the floor and about the bed where they had been dropped hurriedly after the contents were taken, the case in which Mr. Silverman

kept his personal belongings was opened and the contents were all upset and disarranged.

The manageress viewed the scene with the excited Mr. Silverman, other hotel officials arrived to see what had happened, the telephone sent its urgent call and about midnight the police were on the spot. The evidence of a robbery seemed palpable. Quietly the pens of the police noted down the remarks of Mr. Silverman as to his movements, where he had been and what he had done since his arrival that evening in Cardiff. Admittedly Mr. Silverman was excited, and when one is excited it is difficult to remember every little thing, even when quiet voices are jogging one's memory with courteous questions.

The theft was so daring and the loss so big that the Deputy Chief Constable of Cardiff went himself to the hotel to look into it. Wondering how the thief had managed to get into the room, he went over the door carefully, noted two scratches on the enamel leading from the keyhole, but could see no sign of any attempt at forcing. The hotel carpenter, examining the lock, could detect no semblance of a scratch to betray that it had been opened by a skeleton key. Scrutinizing the floor, the Deputy Chief Constable damped the tip of his finger and stooped down to press it on the carpet. Something on his finger-tip interested him so much that he got a colleague to look at it before making a note.

The police, gazing at the gashes in the bags, drew their conclusions. Next day they went round to have another look at the door before removing it to the police station.

"Stock stolen from bedroom last night," wired Mr. Silverman to the underwriter, who appointed Bell & Co. to investigate. In due course Mr. Silverman sent in lists of the stolen articles, which totalled in

value £9,400, and claimed the £10,000 for which he was insured.

The reply he received from Messrs. Bell & Co. must have come as a shock. "With regard to the above, we have inquired fully into the circumstances connected with this matter, and regret that we cannot advise the underwriters "to accept liability, as in our opinion there is no evidence that a loss has been sustained within the terms of the policy."

Refusing to pay, the underwriters left it to Mr. Silverman to prove before Mr. Justice Lush that there had been a genuine robbery. Mr. W. A. Jowitt, K.C., who is now Sir William Jowitt, stated quite frankly that the underwriters did not believe there was a robbery, but if it were a genuine case Lloyd's underwriters were quite prepared to pay.

What could be fairer than that? They merely asked Mr. Silverman to prove that he had suffered a loss that came under the terms of his policy and they would then settle his claim.

It was rather unfortunate for Mr. Silverman that the reason for terminating his partnership in Reed & Co. was also connected with a jewel robbery. In October 1919, while in Newport, Monmouthshire, he had a bag containing £1,700 of jewellery which he wished to put in a safe place until next day, so he decided to deposit his bag of jewels in the left luggage office at the railway station. Dropping his bag on the counter as though it contained nothing more valuable than dirty linen, he paid his threepence and took the cloak-room ticket for the bag. Next morning when he felt in his waistcoat pocket for the cloak-room ricket it was not there; he was quite distracted to find the bag of jewels has been collected from the cloak-room the previous evening. Imagine how upset he must have been.

Who could have known that the bag contained jewellery or in which of his several pockets Mr. Silverman placed the ticket? Whose cunning fingers abstracted the ticket from the pocket and presented it at the cloak-room? These things were never revealed. The bag vanished for ever, and where it went remained a mystery.

"Did they suggest you were a swindler?" asked Mr. Jowitt politely, in referring to this unhappy case.

Indignant denials came from Mr. Silverman's lips. "Counsel asked me some very nasty questions," he admitted, and it transpired that Reed & Co. not only lost the jewels, but the insurance money as well, for the arbitrator found that the terms of the policy had not been carried out, so it was unnecessary for him to give a decision on the question of whether a fraud had or had not been attempted.

It was rather unkind of the underwriters to rake this up against Mr. Silverman. Even then they were not contented. They turned their accountants loose among his books to prove that from April, when he trebled his insurance, until June he was trading at a loss which for this short period amounted to £1,000. It probably goes to explain that worried look after business hours. Moreover they treated Mr. Silverman's lists of the stolen goods in the most carping spirit and could only obtain invoices for goods to the value of £5,800 to set against the lists totalling £9,800.

Mr. Silverman replied to these insinuations by saying he had bought the other things at auctions and was quite willing to produce the men who sold the goods. What could be fairer than that?

Mr. Justice Lush was mildly curious to know why Mr. Silverman went to Nottingham a day or two before the robbery to call on a jeweller in a small way. There was seemingly very little chance of selling anything. But

Mr. Silverman must, in his way, have been something of an artist who took a pride in his wares, for he just called to let the Nottingham jeweller see what a fine stock he had. In a way, too, it was rather lucky for Mr. Silverman that he called, for the Nottingham jeweller was able to tell the judge how magnificent was the stock which he assessed as being worth up to £20,000—a value which Mr. Justice Lush considered fantastic.

The bags, with their tell-tale gashes, were produced as mute witnesses of how the criminals had got at the jewels. But to the police they disclosed much more than Mr. Silverman ever expected. A butcher could tell at a glance if a side of beef were cut up by a tyro who did not know the rudiments of his job. Even criminals go to some pains to learn their craft. And directly the police of Cardiff set eyes on the bags they concluded the job had been done by an amateur. There was in one bag a long cut, which showed where an attempt had been made to rip open the bag at the wrong spot. A bag thief, skilled in his art, would not make a mistake like that. He would know exactly what to do to get at the contents in the quickest way with the least amount of trouble.

Taking a new bag, a Birmingham bag manufacturer began to demonstrate before the whole court exactly how the cuts were made. He was able to make only two cuts, however, before he had to retire to sharpen his knife, and it took him four and a half minutes and the use of two knives to make a set of cuts like those on the bags from which the gems were stolen. Moreover it was no easy task. Another expert said he had never seen thieves cut cases that way and showed how much easier it was to get at the contents through the bottom of the cases. But there was an even simpler way. With a screw driver it was proved how easily the lock could be forced in seconds—the method the expert thief always uses.

The underwriters went so far as to say that the cases were cut when they were open, and that the absence of cuts on the jewel cases as well as the way in which the cuts were made went to prove it. The police, it is true, found certain cuts on the jewel cases, but there was no connection between these cuts and the cuts in the bags, and the cuts on the jewel cases also seem to have been made after the cases were open.

All in all, it was evident that the bags were not cut open by someone who was in the habit of getting his living that way. The police, with all their experience to back them, had no doubt that it was the work of an amateur.

Another unfortunate thing for Mr. Silverman was that he forgot to mention to the police, when he was explaining his movements that night, that he went upstairs before going out to the Queen's Hotel.

If he had gone upstairs to his room to get that cigar which Hillyer saw in his mouth, he must have seen that a robbery had taken place, so why did he not give the alarm then. When pressed on the matter, he said it slipped his memory about going upstairs, that he fancied he went to the first-floor lavatory for a wash.

Another peculiarity which added to Mr. Silverman's difficulties was that he usually left his stock bag down in the office for the hotel to look after and lock up in the safe for him. As we have seen, the cashier asked him if he was going to put his stock bag in the safe, and he told her he was expecting a customer.

Within a short time he learned that Mr. Crouch would not visit him that night, so there was no longer any reason for him to leave his stock cases in his bedroom, nor was there anything to prevent him from taking them downstairs again and giving them into the safe custody of the hotel until the next morning. It may be, of course, he was so busy thinking about his engagements that he forgot to

do this. Anyway, he failed to take this obvious precaution to protect his valuables.

Moreover, although he knew that Mr. Crouch could not visit him, he still left word that he was expecting him to call. That did not seem to be very truthful, nor sensible.

The expected visit of Mr. Crouch was without doubt an excellent reason for taking his stock to the bedroom—if he could prove that Mr. Crouch intended to look at the jewels with a view to purchasing some. It was quite true that Mr. Silverman hoped to see Mr. Crouch, for he had written to that gentleman asking him to call at the Royal Hotel. Unhappily for himself he mentioned that he wished to consult Mr. Crouch about buying a motor car, so his own pen swept away his reason for taking the jewels up to his bedroom.

A great deal of discussion centred round how the thief managed to get into the bedroom. On behalf of Mr. Silverman it was suggested that it would be no difficult matter to enter the room with a skeleton key. But the use of a skeleton key, even in the most expert hands, entails a certain amount of manipulation through the keyhole, there is a turning and twisting of the skeleton key that always leaves slight marks within the lock itself. There was no semblance of a mark to be found in the lock.

The Chief Constable of Cardiff was frankly devastating in describing it as the work of an amateur, that the alleged theft was a one-man job and that no professional thief would have spent his time on cutting the bags in the way that they were cut.

“Are you prepared to say that there was no burglary?” asked Mr. Silverman’s counsel.

“Yes,” said Chief Constable J. A. Wilson.

“Why?”

"I should still say the door had been opened by the key or keys belonging to that lock. I should further say that the scratches on the door were made by the tab of the key possessed by a certain man, or a tab which corresponded to it," was the blunt reply.

Which opens up the mystery of the two scratches on the door. How did they get there?

When Mr. Silverman rang for Hillyer to tell him he had been robbed, he asked the lift attendant to see if there were any marks on the door. There was no trace of a mark, and Hillyer told Mr. Silverman so.

Yet when the police arrived there were two scratches on the enamel going in the direction of the lock. And when the Deputy Chief Constable W. W. Harrison stooped and picked up something on the tip of his finger, the white specks turned out to be flakes of white enamel from the scratches on the door. As the white enamel was found on the carpet *inside* Mr. Silverman's bedroom, it suggests that the scratches were made when the door was open.

The most unsuspicious of persons could not help thinking this was peculiar, for if the scratches were made when the door was open, they could not have been made by the thief in opening the door. Why were they made at all, then, unless it was to suggest that the lock had been tampered with?

Who could have made them, and with what motive was one of the several problems that Mr. Justice Lush had to decide for himself.

Anyway, the Chief Constable of Cardiff proved that the scratches could have been made by the projection on the brass tab of the key by making two similar scratches with it on the door before the eyes of the judge.

Even the idea of someone entering the room with a skeleton key was eventually abolished. In knowledgeable

circles it is estimated that an expert thief would take at least four minutes to manipulate the lock and enter the room.

It happened that Room 101 was in a bay off a corridor. The bay contained the doors of three rooms, one of which was occupied by two maids who were on duty from the time that Mr. Silverman occupied the room until the time the robbery was discovered. The door of their room was open, and it seems hardly likely that a thief would run the risk of picking the lock of a room outside this open door. In any case they heard nothing to suggest it.

What they did hear was much more significant. They heard someone walk straight up to the door of Room 101, open it without delay and walk in. There was no hesitation on the part of the person who opened the door, and they did not trouble to look out to see who it was.

Mr. Silverman was certainly out of luck. The second jewel robbery in which he figured was no more successful than the first in obtaining the insurance money.

His creditors must have been badly hit. But he could, at any rate, console himself by the thought that the lovely pearl necklace which he had on approval was saved for the man who placed it in his trust, inasmuch as it was in his pocket when the other jewels were stolen and was thus preserved.

CHAPTER IX

THE AMERICAN ACCIDENT CONSPIRACY

IN view of the swindles that have come to light in other branches of insurance, it would be a matter of wonder if accident insurance were free of fraud. There must be many cases, known and unknown, where trifling mishaps have been magnified into big claims, some of which have been paid and more disputed, but it is left to the United States to provide an outstanding example in this realm of insurance.

For some time prior to 1931 the American companies began to notice a marked increase in their casualty or accident claims. If the proportion of accidents had kept in step with the increasing number of cars on the road there would have been nothing to arouse comment. As it was, the average number of accidents tended to increase at a greater rate than the figures for past years warranted, and the statisticians of the companies began to wonder why. The state of New Jersey seemed to be particularly unlucky, with the cities of Passaic and Paterson as the centres of the worst risks. The losses grew so great that the companies were obliged to seek a bigger revenue to meet them and in January 1932 they announced that their rates would be increased by at least 33 per cent and in some cases up to 50 per cent above the previous rates.

At once the motorists raised a strong protest against paying more for their insurance. They saw no reason for higher premiums, but the companies very promptly informed them that the increased rates were necessary

owing to the number of false claims that were being made. Honest motorists who doubted this assertion soon had reason to give it some credence, for the matter was brought to a head by a man with his arm in a sling who burst into the police station at Paterson, New Jersey, about the middle of January 1932 and told a strange story—so strange, indeed, that the ordinary, decent people of the world might hardly bring themselves to believe it.

The United States police are so used to hearing extraordinary tales that it takes a lot to surprise them. The police at Paterson looked at the man with his arm in a sling. He was very excited. In fact, he was afraid he was going to die.

"I'm telling the truth. Look at my arm. Dr. Lustberg did it."

Dr. Samuel R. Lustberg, who was regarded with respect by his fellow citizens, owned a private sanatorium, and was considered a clever doctor. The only peculiar thing about his sanatorium in the eyes of the police was that it used a large amount of alcohol, about twice as much as the Passaic General Hospital, which was a much bigger place.

The police surgeon undid the bandage on the man's arm and examined the wound, the edges of which were held together by ten stitches. It was very inflamed, the cleanly-knit healing by first intention, so beloved of the surgeon, was absent, and the wound was undoubtedly in a septic condition.

"How did it happen?" asked the police doctor.

"One of the boys told me if I wanted some easy money to go to see Dr. Lustberg at Gregory Avenue. I went on Saturday and he did this to me."

John Wozniak, the man with the injured arm, was properly scared. He was in just the right state of mind for

telling the truth, and what he said was rather startling. According to him, there was a ring of men working the faked accident racket to swindle the casualty insurance companies. All sorts of men were in the ring—Dr. Lustberg, some lawyers and members of the gang who came forward and swore false evidence regarding the accident which was supposed to have taken place.

The promise of easy money held out by one of the gang was apparently more than John Wozniak could resist. His feet were not so firmly set on the narrow path of integrity that he wished to prevent them from straying. He learned enough to lend himself willingly to the conspiracy, but he failed to realize the bodily pain he would have to bear before the easy money came his way.

When he went to Dr. Lustberg on Saturday, January 16, 1932, he was coached to play the part of a man injured in a car accident. He was put to bed in the private nursing home, or sanatorium, his leg was most carefully encased in plaster of Paris as though it were fractured in several places, and then the doctor calmly made a gash in his left arm which was secured with ten stitches before it was bandaged.

As the leg was set in plaster, it could not be examined, and no insurance official, however inquisitive or suspicious, could insist on it. So far as the arm was concerned, there was a real wound, and nothing could be more convincing than to unbind the arm and disclose it as a proof that there had been a genuine accident in which a man was badly injured.

That afternoon an official of the Fidelity Insurance Company visited the sanatorium to see the victim of the accident. The medical testimony, the great gash on the arm of the victim, the leg in plaster of Paris, and the false evidence put forward by the so-called witnesses of the affair placed the swindle practically beyond discovery.

The official went away convinced that there was a genuine accident for which the company would have to pay.

Then, within a day or two, the man with the injured arm took fright. His arm grew so painful that he began to suspect the true intentions of the other men who were involved in the conspiracy, with the result that he went to the police and disclosed all that had happened. In this unexpected way, due to the accidental infection of the wound, proof came to the police that there was a conspiracy afoot to defraud the insurance companies.

As a result of what the police learned from Wozniak, they pounced on Dr. S. R. Lustberg, and gathered in six other men and a woman to answer the charge of conspiracy. The condition of the wounded man's arm looked so ugly that they were obliged to send him to hospital, but as he had of his own free will confessed to taking part in the plot, he was in the unhappy position of knowing that if his arm healed he would have to stand his trial with the rest of them, while if it got worse he might lose it and perhaps his life.

In the indictment, on January 20, 1932, the Assistant Prosecutor, Mr. Nicholas O. Beery, described it as "one of the most monstrous attempts to defraud insurance companies ever perpetrated in New Jersey."

Dr. Lustberg's bail was fixed at \$75,000, John Wozniak's bail was fixed at \$25,000, and the others had to find bail aggregating \$175,000.

These initial arrests, and the close questioning to which the accused were subjected, led to the police casting their net again. This time they arrested two more lawyers, who most strenuously denied taking part in any conspiracy. As for Dr. Lustberg, after his first denial, he said as little as possible, and was discretion itself so far as the charges against him were concerned.

The police and the insurance companies were soon convinced that this was no isolated instance of an insurance conspiracy that they were investigating, and they worked feverishly to follow up the clues. Numerous people were asked to visit police headquarters to give an account of themselves on certain days, where they were and what they were doing. In all there were nineteen arrests made, but it was so difficult to bring anything home to many of the men that it was impossible to bring them to trial, so they were allowed to go free. Some of the people rounded up by the police were quite guiltless of any complicity in the conspiracy.

Towards the end of January the police and insurance companies had gathered all the evidence that was necessary, and on January 29, 1932, Dr. S. R. Lustberg was indicted before Judge J. A. Delaney with conspiracy to defraud the insurance company, and with atrocious assault and battery upon John Wozniak. Five other men were charged with conspiring to report a false accident.

The facts were too strong for the cleverest lawyer to sweep aside, and Dr. Lustberg, who had brought disgrace on himself by using his medical skill to mutilate a fellow being in order to swindle the insurance company, was found guilty and sent to gaol. John Wozniak, who testified against him and whose arm was healed by the time the trial came off on February 19th, was also sent to prison with the other conspirators.

That deliberate mutilation of a man in order to simulate an injury received in an accident so that the insurance company could be defrauded was the first charge on which Dr. Lustberg was arrested and sent to gaol. But it was not the first time he had attempted to swindle. While he was in prison it was learned that about a year previously Dr. Maurice Finkelman heard that one

of his tenants, Frank Waganaar, had fallen downstairs, an accident for which a defect in the staircase was blamed. The injured man was attended by Dr. S. R. Lustberg, who told Dr. Finkelman that Waganaar was suffering from a fractured skull. Waganaar never recovered from the accident, and when he died some days later, Dr. Lustberg certified that his death was due to a fractured skull. For that accident Dr. Finkelman was compelled to pay \$15,000, roughly £3,000, as compensation to the widow.

Even at that time there were doubts about the justice of this claim, and Dr. Finkelman's counsel suggested that Waganaar's death was due to heart failure, and not to a fractured skull, but it was impossible to disprove the testimony of Dr. Lustberg. By then Waganaar was buried and beyond human aid. In the eyes of Dr. Lustberg, he was also beyond all human interference.

But the cunning doctor made a slight miscalculation. The skull is one of the most imperishable portions of the human skeleton and it will survive when most of the other bones of the body have decayed. Skulls have been unearthed that belonged to people who trod the earth hundreds of thousands of years ago. In some of the comparatively recent skulls of the Egyptians dating back to a mere 8,000 or 9,000 years the evidence of the operation known to modern surgical science as trepanning has been plainly revealed, so Dr. Lustberg was running some risk when he swore to a fractured skull. If the dead man had been cremated, there would have been no risk at all; but while the body was known to be in a certain spot from which it could be dug up, there was a risk—slight enough it is true, so long as Dr. Lustberg maintained a fine reputation among his fellow men, though directly the doctor was suspect, the risk became grave.

His conviction for conspiracy to defraud the insurance

company awakened all the doubts about the case of Frank Waganaar, and an order for exhumation was made and carried out, about a year after the burial. The physicians who examined the remains found that the skull bore not the slightest trace of a fracture.

In the circumstances it can be understood that the widow was strongly opposed to the exhumation and her counsel sought by legal action to suppress the evidence that was already in the hands of the police. The main point was that Dr. Lustberg's perfidy was proved beyond doubt.

That a doctor should conspire to defraud an insurance company, that he should debase his professional skill for the purpose of mutilation to further a false claim, was very disquieting. The medical profession is rightly held in high esteem, it obeys a rigid code that is self-imposed, and in consequence a great deal of power has accrued to medical men the world over. Their careful education, their long training and their high standard of integrity place them among the picked men of the nations. Their word is accepted, their certificate regarded as truth. The insurance companies that specialize in motor insurance are largely in the hands of the doctors and if medical men were to conspire on a big scale to defraud the companies they might eventually make insurance unworkable and bring the accident companies toppling in ruin.

It can be imagined how uneasy the insurance companies operating in New Jersey were made by the conviction of Dr. Lustberg. Their previous suspicions were confirmed, and the fact that it was a doctor who was the head of the gang opened their eyes to their danger. Directly the culprit was safely in prison they continued to work quietly with the police to see what further evidence they could find.

In August the police struck again, this time making twenty arrests on charges of defrauding the casualty insurance companies by faking motor-car accidents. Again a medical man was charged with being the ring-leader of the gang. This was Dr. Samuel H. Kauffman who most strenuously denied his guilt, whereas all the others pleaded guilty. The majority who played minor parts in the accident ring, were freed under suspended sentences, while three of the men were sent to prison.

Dr. Kauffman, by calling in the cleverest lawyers and taking advantage of various legal loopholes, managed to evade sentence until February 19, 1933, when he was sent to gaol with a sentence of from three to eight years' imprisonment.

On June 9, 1934, there was an insistent ring on the telephone at the police headquarters in Paterson, and the officer who picked up the receiver heard the agitated voice of a woman. "My husband's been kidnapped. Will you come at once."

That was how the police of Paterson learned that Dr. C. F. Baxter had been kidnapped. Without delay the police cars rushed round to Mrs. Baxter to find out what had happened. Mrs. Baxter was very upset. All she could tell them was that some men had called in a car and had suddenly bundled her husband into it and carried him off.

The local police immediately started to hunt for the missing doctor. Police cars rushed off to search the neighbourhood. Descriptions of Dr. Baxter were circulated. Urgent telephone calls were put through to various points to keep a sharp look-out on the roads. Whether the doctor had been taken for a ride in order to "bump him off," or whether the kidnappers were going to hold him for ransom was the question that no one could answer.

WHAT MEN WILL DO FOR MONEY

The local police were settling down to their task in real earnest when they got the surprise of their lives. Their energetic inquiries were so much wasted effort. Dr. Baxter had not been kidnapped at all. The men who had carried him off were county detectives who had seized him unexpectedly without informing the local police of their intentions and put him under arrest on a charge of defrauding two insurance companies.

So a third medical man was gathered in on a charge of conspiracy. It was another faked motor-car accident in which the medical man himself posed as the victim, a slight abrasion being made to serve as a painful injury. Mr. S. Taylor and Mr. A. T. Buchanan swore staunchly to the details of the accident which they were supposed to have witnessed, and the companies solaced Dr. Baxter by paying him the sum of \$1,800, or roughly £360. It was not a large sum, but a welcome addition to the exchequer all the same, and there was no knowing what a doctor guilty of such an offence had done or might do. Anyway the police stated that he had already lost his licence to practise in New York before he had acquired his right to practise in New Jersey.

Judge Delaney determined to keep him out of mischief for some time by sentencing him to from one and a half to three years imprisonment. Such a sentence is unusual in England, where prisoners know the maximum sentence they may be obliged to serve straight away; but these indeterminate sentences are common in the United States. Taylor was fined \$150 and Buchanan \$350 for swearing false witness to help Dr. Baxter in his conspiracy.

Thus in three years in New Jersey three doctors were found guilty of swindling the insurance companies by faking motor accidents. No wonder the insurance companies were alarmed. Their legal advisers and the police authorities were alike convinced that there was a

gigantic conspiracy that spread over the whole state of New Jersey and that the companies were being defrauded out of immense sums.

In the same way that Lloyd's underwriters and the British insurance companies were driven to take concerted action to smash up the Harris fire gang, so the casualty insurance companies to the number of fifty-six were forced at last to unite in fighting the accident frauds in New Jersey. After secret discussions, they appointed a clever lawyer, Mr. H. W. J. Hargrave to carry out investigations on their behalf, and he went to work as quietly as possible to look into numerous claims and see what he could discover.

Eventually the facts indicated clearly that there was a ring engaged in swindling the companies, that lawyers and doctors played their part in the conspiracy, that there were members of the ring who were deputed to act as false witnesses, that members of the gang sometimes served on the juries who tried any disputed claims that went before the courts, and that juries themselves were fixed, otherwise bribed, by the ring to bring in favourable verdicts. It was quite as bad, if not a little worse, than the English fire conspiracy, worse inasmuch as doctors were found to be sufficiently depraved and dishonest to carry out deliberate mutilations for criminal purposes, while other members of the ring succeeded in interfering with the course of justice by suborning jurymen.

Gradually a mass of evidence was accumulated concerning these fraudulent activities and in April 1934 the police of New Jersey made a smart raid in which they arrested seven men, among them being two lawyers. There was also Dr. S. J. Lustberg, who had been released from prison the previous autumn after serving eighteen months for his earlier crime. Knowing that a sojourn in gaol could not be considered as a high tribute to his

honour, and feeling that things might be rather difficult if he attempted to resume his old practice, he decided very wisely to remove to Washington, New Jersey, and set up there as an optometrist, otherwise an eye specialist.

Within six months of doing so he was once more in the hands of the police charged with performing operations on men in order to simulate injuries received in motor accidents. One of the men who posed as the victim of an accident was Kasmar Kuchinsky whose case was settled out of court by the company concerned upon payment of \$800. It seems a trifling sum for which to suffer an injury and run the risk of prison, but there it is. Another of the victims was John Seaman who, as the companies were not disposed to settle, brought a claim for \$35,000. The police were not content with arresting Seaman, but they also held the two lawyers who represented him.

So important did the state authorities consider the insurance frauds that they determined to let the public know as little as possible what was going on. Neither the police nor the insurance authorities were aware how far the conspiracy spread and they determined to take every precaution to avoid scaring the malefactors into absconding. Such stringent measures were adopted to prevent anything from leaking out prematurely that a grand jury was sworn in secretly in the private chambers of Judge A. G. McLaughlin in order to examine witnesses. The names of the men who were examined were not even mentioned, and all their evidence was most closely guarded. Incidentally four of the witnesses were regarded as so important by the police that they each had to find bail of \$25,000 or £5,000 to appear again when called upon!

It was as difficult for the American authorities to trace all the ramifications of these gangs as it was for Mr. W. C.

Crocker to build up the evidence to convict the Harris gang in England, but Mr. H. W. J. Hargrave stuck to a task that seemed to be almost without end.

One trick that came to light was the clever way in which injuries to joints were simulated by making injections of mineral oil into a knee or arm or ankle. This at once brought about a state of inflammation, the joint swelled, and the tissues thickened, and the victims were able to hoodwink the insurance doctors with these faked injuries.

Falling down a stair which was supposed to have something wrong with it was one of the favourite excuses for this type of accident. Frequently the claim was supported by a photograph of the damaged step or stair to show what had caused the fall. In one case where a claim of this type was made, the insurance company acted rather too quickly for the claimant, who proposed to substantiate his claim with a photograph to be sent on later. Directly the news of the accident reached the insurance office, an official hurried down to inspect the defective step, and arrived just as the photographer employed by the claimant's lawyer was wrenching away a bit of the step before taking the photograph to prove that it was dangerous!

There was no doubt that the rings were prepared to stoop to almost anything in order to swindle the companies. While the authorities managed to bring their crimes home to several of the doctors who were implicated in these frauds, it was not so easy to catch the lawyers. They knew all the legal loopholes and were aware of the right thing to do in order to avoid any appearance of complicity.

For instance, early in 1932 Mario Tagliaferri and his brother Gaetano Tagliaferri were arrested for working the accident swindle. Mario injected his brother's wrist

with oil and then went along with him to a house in Prospect Avenue in Brooklyn where Gaetano pretended to trip and fall down the stairs. They brought an action against the owners, who were insured, and the wrist of Gaetano was so obviously injured that the insurance paid \$1,200 or £220 as compensation to him.

At the time that the police arrested the brothers and kept them in gaol because they could not find bail of \$25,000, or £5,000, their attorney Mr. F. A. Bruno was also arrested on the charge of knowing that the accident was false. He was released on bail. The authorities had no doubt that he was mixed up with the accident ring, and they went slowly to work piling the evidence up against him in case after case.

In June 1934 they pounced on him again on a charge of fraud, releasing him on bail. There were thirteen indictments against him and he pitted his wits against the prosecution in order to escape their net. By every legal means in his power he fought desperately to prove his innocence. At one time it looked as though he might possibly escape. But among those thirteen indictments was one that he could not disprove. With all his knowledge of the law he made such a bad slip that there was no getting out of it. He was forced to plead guilty to accepting \$750—the trifling sum of £150—on January 24, 1933, from the Home Indemnity Company in connection with a fraudulent accident case. On March 20, 1935, Judge J. J. Fitzgerald sentenced him to from five years to ten years in Sing-Sing prison for being guilty of grand larceny. Thus another defrauding lawyer was placed under lock and key.

Three weeks after Bruno was arrested in 1934 another lawyer, Joseph D. Brooks, who was regarded as the brains of the New York insurance frauds was convicted at Syracuse on June 29th and sentenced to from two and

a half to five years in Attica prison. Not only were doctors and lawyers engaged in these conspiracies, as well as all manner of other men, but the authorities were staggered to find that one of the high officials of an insurance company itself was involved. He was a key man before whom claims were brought, the Chief Adjuster of the Employers Liability Assurance Corporation, Benjamin Ross, who pleaded guilty and was sent to serve a sentence similar to that meted out to Attorney J. D. Brooks. The conviction of this insurance official shows how deeply the canker had eaten into the heart of the American insurance world.

In combining to defeat the great accident conspiracy the American companies were fighting for their lives. They were compelled to unite in self-defence or see themselves swallowed up by the swindlers. The seriousness of the position was publicly acknowledged in May 1935 when Mr. Isidore Berger, the general manager of one of the big New York companies, said: "The present accident situation differs materially from that which originally gave rise to the Wasservogel investigation of 1929 in that the present situation seriously affects the solvency of many companies, thus jeopardizing the right of the legitimate claimant to receive assured and adequate compensation for legitimate injuries legitimately sustained."

The campaign waged by the insurance companies in New York did much to smash up the accident conspiracies, but the arrests made in the last year or two and the number of cases fought in the courts over fire and other policies indicate that insurance frauds remain a flourishing business in the United States.

CHAPTER X

THE ABERDEEN HORSE SWINDLE

IN the "naughty nineties" when the hansom cabbies sat up aloft and peeped through the little trap doors down on the last of the Victorians sitting snugly together beneath the apron of the cab making love, the horse was regarded as a noble animal that had proved itself to be one of the greatest friends of man. The one or two alarming contraptions that rattled along the streets, emitting smells and smoke and unexpected explosions, were the objects of ribald jests among the old omnibus drivers, carters, carriers and cabbies who liked to jog along amid the jingle of the harness and cock up their ears to the brazen note of the horn as the coach went bowling past. To their unimaginative eyes the new-fangled horseless carriages were just mechanical toys for a few wealthy young men to play with; ostlers and drivers could no more realise that the motor was destined to supersede the horse than the railway directors could imagine that it would tend to supersede the railroads, and that people, after travelling for a century by rail, would buy their little cars and career about the highways of England to enjoy the beauties of towns and villages and fields for the first time instead of being compelled to stare at uninteresting railway cuttings for mile on mile.

Horse-breeding and horse-dealing were then an important industry in the country and the high quality of the English breeds led to a considerable trade overseas, where foreign breeders who were anxious to improve their own

stock were prepared to pay good prices for animals that pleased them. The dealers made nice profits out of shipping horses abroad, the only drawback being the danger of an animal dying on the voyage. Some horses soon found their sea-legs, but other nervous creatures were not happy in their confined spaces: they lacked exercise, the conditions were strange to them and a gale might inflict injuries which made it necessary to destroy them. There was also the tendency of an animal to sicken for no apparent reason except that it was removed from its usual environment and was not undergoing its usual routine. Fortunately for the dealers the underwriters were quite prepared to insure against the risk of losing animals on the voyage, so the honest men engaged in the trade were happy to pay their premiums and know that they were covered against unexpected losses.

John Machattie, as he drove through the familiar streets of Aberdeen down to his place in George Street was aware of all this. He was an imposing figure of a man, one of the well-known horse dealers in Aberdeen, with a knowledge of horse-flesh which enabled him to sum up the points of an animal in a glance, so he knew how to bring off a deal to his own advantage. As 600 or 700 horses a year passed through his hands, he must have done pretty well out of them, but however much he made it was not enough to please him.

Thinking over the possibilities of making more money and making it quickly, he saw what appeared to be a good chance in the export trade in horses. It seemed one of the simplest and safest ways of making money that anyone could imagine. All he had to do was to ship horses abroad, insure them heavily and collect the insurance money when they died.

The fact that he would have to arrange for them to die and that it would involve him in swindling the under-

writers did not worry him. It seemed impossible for him to be found out. The risks of horses dying at sea were recognised. If an animal died and was buried at sea there was nothing to betray him. A human body, it is true, might be exhumed months after burial, but it was utterly useless to attempt to recover the carcass of a horse from the middle of the ocean.

In the mind of John Machattie the plan was as safe as houses. There was nothing to fear and little to do. Without the slightest compunction he launched his first known attempt to swindle the underwriters. In February 1888 Mr. F. Hall, who was one of the partners in Gardener & Company of Austin Friars, London, received an inquiry about insuring four horses on a voyage from Hull to Boston in the steamship *Persian Monarch*. On February 23rd the insurance was effected on behalf of John Machattie for a sum of £665. Three of the animals died, and there was a claim for £415, which was paid early in April.

Well content with the outcome of his initial attempt, John Machattie decided on another venture. But he was canny enough to realise that it might be unwise to thrust his name upon the notice of the underwriters too soon after his preliminary flutter in fraud, so he shipped three horses under the name of Mr. Mitchell, who consigned the animals to himself in Montreal. On April 27, 1888, the same underwriters insured these three animals for a sum of £400. The horses were safely placed on board the s.s. *Concordia* at Glasgow, but one after the other succumbed during the voyage and was cast into the sea. The captain's certificate that the horses had died and the bill of lading made out in the name of Mitchell were received in due course by the insurance broker, who placed the documents before the underwriters with a claim for a total loss. Everything was in perfect order, so

the underwriters paid—for the second time. Maybe they thought it was not very profitable business to receive £120 in premiums and pay out over £800 in return, but if so they did not place their thoughts on record.

Machattie pocketed the money, less £4 commission, and whether he concluded that honesty might be the best policy for awhile and that a repetition of his recent successes might bring trouble is still unsettled; anyway, no doubtful claims emanated from him for two or three years. During this time the shipment of horses went on as usual, for it was a trade out of which the dealers made a fine profit, but the business was conducted with such freedom from losses that any suspicions the underwriters may have harboured were effectually swept away.

But John Machattie, as he trotted along Union Street and lifted his whip to salute the fellow townsmen who held him in such high respect, must have been filled with secret pride at his success in robbing the Sassenachs over the border. There may have been a little of the free-booter blood in his veins to account for his raiding tendencies. Be this as it may, it is certain that his previous success and the promptitude with which the claims were made tempted him sorely to try again.

One of his cronies in Aberdeen was Alexander Stephen whose main line of business was dealing in Shetland ponies for which a good demand existed at home and abroad. Stephen was also a good judge of horse-flesh, quick to see profits and to grab them. The two of them put their heads together and concluded that there was big money to be made in the insurance world, if only they exercised a little common sense and a fair amount of cunning and circumspection. The main thing for them to do was to keep in the background and pull the strings and use other people to carry out their plans.

Accordingly John Machattie dropped in casually one

day to have a chat with Mr. John Graham who was a partner in Grant & Co., the corn and commission agents. Machattie was a good customer to Grant & Co., and Mr. Graham, who was a man of the highest integrity, had no reason to regard Machattie as anything but an honourable man. When, therefore, Machattie mentioned that he was shipping some horses abroad and suggested that Mr. Graham might inquire what were the rates for insuring the animals, the latter was quite willing to oblige such a well-known customer.

The upshot was that Mr. Graham put his inquiry through a broker who insured a stallion for £210 and four ponies for £10 each with Galbraith, Pembroke & Co., who were London underwriters. According to Machattie the animals were being shipped by John Kinney to James Carroll on board the s.s. *Francisco* from Hull on May 29, 1891.

Quite a number of horses and ponies were consigned by this ship, among them two stallions consigned by John Kinney to himself, and eight ponies consigned by Adam Machattie to James Carroll. John Machattie, however, managed to keep his own name out of these transactions, but his interest in them was proved by the fact that he paid the freight on all the animals to the shipping company at the same time. It amounted to £67, and a couple of grooms were given passages to look after the horses and ponies on the way over.

The two stallions consigned by John Kinney to himself both died, and the stallion shipped by John Kinney to James Carroll also died. The death certificate along with the bill of lading made out to John Kinney duly reached the underwriters, who settled with the brokers, who in their turn remitted a cheque to Mr. John Graham.

The latter had received instructions from Kinney to pay over to John Machattie any sums received in the

event of a loss. It seemed reasonable enough. For aught Graham knew Machattie may not have received any money for the animals at all and was to be paid when Kinney received payment on the other side. Naturally Mr. Graham told Machattie that a cheque had come to hand, whereupon the horse dealer mentioned that he was sending another consignment of animals abroad and said he would be glad if Mr. Graham could arrange about the insurance.

"Certainly," said Mr. Graham who sent the balance of £123 to John Machattie by cheque and later paid premiums of just over £80 to insure another batch of horses and ponies for the horse dealer.

Meanwhile on August 7, 1891, the steamship *Buffalo* drew out of Hull on the way to New York. On board were forty ponies consigned from John Machattie to Adam Machattie, and two stallions consigned from Thomas Rooney to himself. An old man who had been picked up in Hull went with the animals to feed and water them, but he was under the orders of Adam Machattie and Lambert Barron, who were passengers aboard. Barron, who was the son of an Aberdeen lawyer, was evidently quite willing to join in the conspiracy.

Unhappily for Machattie there was a man on the ship who knew something about horses and was fond of them. This was Lloyd Fairfax Francklyn who, having owned horses himself, was keenly interested in those on board. They looked fit and well enough when they left Hull and Mr. Francklyn could find nothing ailing them when he went among them every day to see how they were standing up to the voyage. About tea-time on August 13th, when they had been at sea nearly a week, a man came along to him and remarked that there seemed to be something wrong with one of the horses.

At once Francklyn went to see what was the matter. In a glance he saw the animal was very ill. It was sweating profusely and all drawn up in agony. He turned to Adam Machattie and Barron who were watching the horse. "It looks to me like colic," he said. "I would give it a colic drench if you can get one," he advised.

"You mind your own business," said Barron shortly.

At 8 o'clock that night the stallion died and after the snub he had received Francklyn kept out of the way of Barron and Adam Machattie. Five days later, on the Sunday, Francklyn was told that another animal was sick. Being a kind man, he went along to see if he could do anything. He found Adam Machattie and Barron and the old groom all watching the animal, which was writhing in agony. It was in such pain that it jumped out of its box and stood nearly on its head, then it collapsed upon some hay and lay there with heaving flanks. Its muscles were all drawn up, its eyes dilated, its nostrils distended and it was sweating profusely. "It must be colic," Francklyn suggested.

"You mind your own business," repeated Barron and this time Francklyn thought it rather queer.

A little later the poor beast died and was heaved overboard like the other.

Francklyn could not help thinking about it. He had spent some years in Austria and had more than once seen an old horse poisoned with strychnine so that its flesh could be cut up and used as bait to poison wolves. Somehow he could not help being struck by the similarity of the deaths of the animals on the ship with those he had seen poisoned in Austria.

The matter became all the more puzzling when two or three of the ponies fell ill, for the illnesses from which the stallions and the ponies suffered seemed so very different. One pony grew so ill, indeed, that Francklyn thought it

would not pull through. But the ship managed to reach Boston with the animal still alive, and Adam Machattie went off for a veterinary surgeon who saved it.

For the moment the suspicions of Mr. Francklyn remained unknown and the conspirators planned even bigger coups. They were clever enough to see that all the animals they shipped were fit when they went on board and very prudently called in a member of the Royal College of Surgeons to examine them and certify that they were in good health. He was able to certify that they were sound in wind and limb and free from sickness and disease, but his opinion was not asked as to the value of the animals, which was perhaps as well—not that a surgeon in the ordinary run of his profession could be expected to know the exact value of a horse.

There is no doubt that John Machattie had a way with him which made people fall in with his wishes without suspecting that they might in all innocence be playing a part in a deep-laid plot. For instance, he asked Alexander Mackie to inquire about the insurance of two stallions which he proposed to cover for £400. The inquiry reached Galbraith, Pembroke & Co., who had already suffered a few losses from the north. The underwriters in this case were rather dubious. They refused to cover for £400 and at last agreed to insure for £250. The premium itself was £49 18s. 3d.—I assume it was £20 per cent, which indicates rather a strong suspicion on the part of the underwriters.

Of course, John Machattie was careful to explain to Alexander Mackie that he was not personally interested in the matter. He was merely acting as the agent of Thomas Rooney, who was shipping the horses abroad, so when John Machattie brought in the death certificates and the bill of lading, which were sent on with the claim to the underwriters, Alexander Mackie had no more

reason to refrain from handing over the cheque than the underwriters had possessed for refusing to pay the claim.

Many a time John Machattie and Alexander Stephen must have chuckled at the way they were hoodwinking the decent people of Aberdeen and the trustful underwriters in London. Then came a check that ought to have acted as a warning. Instead of sending £390 for the loss of two stallions at sea, the broker forwarded to Mr. Graham a cheque for £99.

John Machattie was very annoyed. He wanted to know what they meant by it, and he had the effrontery to instruct solicitors to demand the remainder. Sure enough, after some delay, the remainder of the sum due under the claim was paid. To the conspirators it must have been regarded as proof that their frauds were beyond discovery; but the underwriters were fairly sure that dirty work was going on, although they could not quite bring it home to the culprits.

It was on November 4, 1891, that Alexander Stephen dropped in on Mr. Graham. "I'm sending out four American trotters to Mr. Charles White of Cape Town and I want them insured for £2,000—could you do it for me?"

Mr. Graham was quite willing to oblige a customer.

"I don't want it to go through the other dealers here," said Stephen, "so will you do it direct with London?"

That insurance was effected through Donald Currie and Co., who were carrying the horses to the Cape in their liner the *Hawarden Castle*, which sailed from the East India Dock on December 17, 1891. The man in charge of them was named Catto; he had been brought into the conspiracy and was quite ready to carry out instructions. The liner had been at sea only about four days when the first horse died in agony on the night of

December 21st. On Boxing Day another horse succumbed.

The news was reported next morning to Captain Robert Duncan, the master of the liner, who went to look at the dead horse. "Tell Catto I would like to see him," said the captain.

Catto came along. "What did the horse die of?" inquired Captain Duncan.

"Pink eye," said Catto.

"Indeed!" exclaimed the master.

"Yes," added Catto. Stooping to the dead horse he turned up its eyelid.

"If you turn your own eyelid up, it will turn pink as well as the horse's," said Captain Duncan bluntly. He glanced at the two surviving animals. "They want a drink," he said, and went off.

For the next four days the other two animals seemed as fit as they could be. On the last day of the year Captain Duncan strolled along to look at them and found they were quite all right, but by nightfall another animal started to kick violently and sweat profusely before it died in agony.

The fourth horse died in the same manner. According to Catto, they had all died of pink eye, which was a most infectious disease.

When the death of the last horse was reported to him, Captain Duncan went to see it. On the way he saw Catto sitting on the main hatch, puffing away at his pipe as contented as a man could be.

"Well, you have got rid of them at last," exclaimed the captain.

"Yes," agreed Catto, as coolly as you like, and went on smoking.

It was highly significant that there was no one there to meet the horses and take them over when the liner

arrived at the Cape, and the point was not lost on Captain Duncan, whose impression that the horses had been poisoned was not disguised.

This perhaps explains why, when the conspirators tried to insure a further batch of horses through the same channel, the business was declined. Mr. J. R. Chapman, the manager of Donald Currie & Co., stated that before he would think of it each horse would have to carry the certificate of a well-known veterinary surgeon, and the premiums would be very high.

Even this point-blank rebuff failed to open the eyes of the conspirators to their danger. They had carried on their swindles with such success that they seemed to think their immunity would last for ever. It did not seem to strike them that however cleverly they covered up their tracks by shipping horses in different names from different centres, the insurances were all placed in London and the underwriters could not fail to mark the heavy losses that were occurring in the traffic.

Very calmly the conspirators put their inquiry through another channel to cover three horses for Stephen, one for £1,000 and two at £500, the animals they consigned to J. H. Wilson at the Cape. The insurances were taken out, and the plotters thinking that they might make the haul as big as possible while they were about it managed to insure another horse for £650 in the name of Glass.

By now, however, the underwriters were sure there was a swindle going on. They communicated with the manager of Donald Currie & Co., who learned that four horses were being shipped by the Union Castle liner *Pretoria* from Southampton. Mr. J. R. Chapman promptly got into touch with the Union Castle Line who had a chat with Mr. W. N. Dixon, their superintendent at Southampton.

When the four horses arrived by train, that gentleman

found the animals swathed in blankets and horse cloths and leg bandages for all the world as though they were mummies. Practically nothing was visible except their heads, but Mr. Dixon saw enough to give him an idea of their value.

"About £25 apiece," was his frank estimate.

A little later he might have been seen in earnest conversation with a well-set-up man, who was a passenger on the *Pretoria* when she pulled out of Southampton. Every day this passenger went along and had a look at the horses; but Catto, who was in charge of them, paid no more attention to the passenger than the passenger paid to him.

The ship arrived at Teneriffe on March 4th. The weather was very hot, but the animals remained quite fit, although Catto still kept their blankets on. The master of the *Pretoria*, Captain Robert Reynolds thought it odd in that temperature, and said so.

On March 5th, after the ship had left Teneriffe, one of the animals began to blow and sweat and lean its head on the box. Later it began to foam at the mouth, but by the evening it seemed better and took its food all right. At 4 o'clock the next morning, however, Captain Reynolds was awakened and told the horse was dead.

Catto was calmly smoking his pipe when the captain appeared, followed by the passenger who took such a interest in horses.

"The horse is dead," said Catto.

"What did he die of?" asked the master.

Catto said nothing.

"Put some screens round," said the master, and Catto saw the men putting canvas screens round the dead animal. Then his startled eyes saw the quiet passenger start to cut the animal open with a skill that could only be attained by long practice. The quiet passenger

happened to be Mr. Alexander Henry Waddell, a clever veterinary surgeon who had been specially placed on board to find the evidence that would expose the plot.

Catto saw the game was up. No longer could he smoke his pipe so nonchalantly. He shook and shivered and was in such a funk that he was unable to speak. He watched the veterinary cut out the stomach and seal it up for analysis, saw specimens of the other organs taken.

When the post-mortem was finished, they took him to his cabin and searched his baggage and found a ten ounce bottle of aconite with two ounces missing. It was four times as strong as that prescribed by the British Pharmacopœia, and Catto, seeing that it was useless to deny anything further, admitted that it was given to him with instructions to administer it to the horses.

Inspector John Rowbottom was waiting at the quay to arrest Catto as soon as the *Pretoria* docked, but there was no Mr. J. H. Wilson waiting to accept delivery of the horses. It transpired that Mr. Wilson was the head waiter in Pool's Hotel in Cape Town and that John Machattie was his nephew. But the waiter had never ordered any horses and knew nothing about them and certainly he could not afford them, so the three surviving horses were put up for auction. One fetched £50, one was sold for £25, and the other was knocked down for £8.

This last sorry creature was one of the horses insured for £500. It was such a travesty of a horse that Mr. Waddell, the veterinary said that if it had been galloped it would have fallen down and broken its neck.

Meanwhile the plotters, unaware that things had gone awry on the *Pretoria*, shipped two more horses to the Cape in the s.s. *Dane*, which left Southampton on March 11th. These animals were insured for £1,400 by Lambert Barron who called them trotting horses and

announced that he was going to the Cape to show their paces.

When one of them died in agony, their groom, Andrew White, was very startled to see Captain F. J. Symons come along with the ship's doctor. The medical officer made a post-mortem examination and took some of the organs for analysis. The symptoms pointed so strongly to poison that there was not much doubt about it. Incidentally when the *Dane* arrived at the Cape, Mr. Waddell was waiting there to examine the surviving horse, which was, of course, an old crock.

Sometime in March Stephen inquired if the horses on the *Pretoria* had reached the Cape safely and learned that all had died. Promptly a claim was sent off to the brokers, and just as promptly the underwriters refused to pay.

Stephen saw the red light. Paying a call on a chemist in Aberdeen on March 23rd, he quietly vanished.

Detective-Inspector W. Gordon, who was told off to arrest Stephen and Barron, caught a glimpse of Machattie in Glasgow and discreetly followed him to the Victoria Hotel, where he found Barron and arrested him.

"Is there a warrant for me?" asked John Machattie.

"Not that I know of," said the inspector, who put his prisoner on the London train and took him south.

Machattie, very perturbed in spirit, watched them go and went off to Aberdeen. Next morning, Inspector McMath called on John Machattie at his place of business. "I've come to arrest you on a charge of conspiring with others in custody on a charge of poisoning horses."

Machattie looked at the inspector. "Are you in earnest?" he asked.

"Yes."

"How long have you had instructions?"

"An hour or two," was the reply.

"Did you know last night?" went on the horse dealer.

"No," said the inspector.

"Barron must have told," replied John Machattie. It was tantamount to a confession of the conspiracy.

At the moment of exposure all the money he had steeped himself in fraud to obtain seemed as nothing: the threat of imprisonment was everything—it was something to be avoided at any cost. The consequence was that much of the money out of which the underwriters had been swindled was used to brief the finest counsel the prisoners could find to defend them.

The trial of Machattie, Barron, Catto and White was originally fixed for June 27, 1892, at the Old Bailey, but it was postponed until July 30th, because the Solicitor-General, the famous Sir Edward Clarke, was unable to lead the prosecution and because two of the captains were still at sea.

When the prisoners were at length put into the dock on the charge of conspiring to defraud the British & Foreign Marine Insurance Company and other companies and with maliciously killing horses, the court was packed with underwriters and city notabilities. The names of those engaged in the case gives an indication of the importance with which it was regarded. The Solicitor-General, the famous Sir Edward Clarke, with Mr. C. F. Gill, Q.C., and Mr. Scrutton were prosecuting for the Crown. On the other side one of the most famous political figures of this century was briefed to defend Lambert Barron. This was Mr. H. H. Asquith, Q.C., who was Premier of Britain during the Great War and was later made Lord Oxford. By his side was Mr. Horace Avory, who achieved fame as Mr. Justice Avory, one of the most noted judges of our time, while it must also be mentioned that Mr. Scrutton, the junior prosecuting counsel, like-



The late Sir Edward Clarke walking in the Temple with his son, Sir Percival Clarke. The vigorous prosecution of Sir Edward bowled out the Aberdeen swindlers and brought them all to prison.

wise achieved fame as one of our most brilliant judges. It is remarkable that so much legal talent should have been engaged in this one case.

Not all the legal talent that money could buy sufficed to save the prisoner. Mr. Archer Shee argued in vain that Machattie's connection with the case was quite innocent, that his responsibility ceased directly the horses were placed on board the ships. Machattie was too firmly caught in the toils to be extricated by his counsel.

As for Mr. H. H. Asquith, he used all those persuasive powers, that were later to serve him so well in the political field, to get Barron off, pointing out that there was nothing to show that the horses which went out in his charge died from anything except natural causes. As those horses had been dumped in the Atlantic, it seemed a safe argument and one that could not be contraverted. He went on to plead that Barron was a dupe, one who quite innocently carried out the sinister designs of the man who had evaded arrest.

The case against him and the other prisoners was too strong. Witness after witness piled up the evidence against them. There were horses sent out on the liner *Warwick Castle* that died mysteriously; there were three horses sent out on the s.s. *Scandinavia* in February 1892 which all succumbed while under the care of White. Their certificates were read out in court: "s.s. *Scandinavia*. This is to certify that Mr. A. S. White paid every possible attention to the horses; he stayed with them night and day until they died. The death was caused by the rolling of the ship. N. Stinat, Master."

The *Scandinavia* experienced rough weather for two or three days. How was Captain Stinat to know that the horses had not died from the effects of the weather?

But the witness whose evidence was the most damning of all was Mr. R. D. Presslie, a chemist of East North

Street, Aberdeen. It was at his shop that Alexander Stephen called on March 23rd, with a request to examine the poison register. No wonder Stephen vanished afterwards, for this is what he saw:

"July	25, 1890.	1 oz. strychnine.
September	8, 1891.	4 ozs. strychnine.
„	11, 1891.	4 ozs. strychnine (ordered to be delivered to Machattie).
November	27, 1891.	3 ozs. strychnine.
December	17, 1891.	4 ozs. strychnine.
February	6, 1892.	3 ozs. strychnine.
„	13, 1892.	3 ozs. strychnine."

Stephen told the most plausible yarns in order to obtain these large quantities of strychnine, which he really wanted to kill off the poor hacks that were so heavily insured. This was confirmed by the noted analyst Dr. Stevenson, who found strychnine in the organs that were sent to him by Mr. Waddell for examination.

The men in the dock had no chance. They knew it. They did not call one single witness to dispute the facts.

All were found guilty of conspiracy to defraud. John Machattie and Lambert Barron were sentenced to twelve months' hard labour and each was ordered to pay a fine of £250 and to remain in gaol until the fines were paid. As for Catto and White, they were more or less tools in the hands of the others and each was sentenced to three months' hard labour.

Whether John Machattie involved Alexander Stephen in the conspiracy, or whether Alexander Stephen involved John Machattie remains unknown. So far as I can discover, Alexander Stephen was never captured and brought to book for the part he played in the frauds.

CHAPTER XI

THE ROSSO PICTURE PLOT

It is a long way from the Argentine to New York; the conditions of life are different; few men could cut away from their native land and take the plunge into New York life without some qualms; few men would make so drastic a change unless the new environment held out promise of something better than the old.

Who can say what were the feelings of Victor Rosso and his wife as the steamship *Pan American* ran steadily northward, what thoughts flashed through their minds as the Statue of Liberty pushed up above the horizon to welcome them to the land of hope. Victor Rosso, an artist, was only 32, she was but 28—old enough to have had some experience of life, and young enough to make a new start in a new land. On May 8, 1929, the steamer came to rest at the quay, her passengers went through the usual landing formalities, and the city of New York roared its strident welcome to the dark-eyed artist and his wife.

Somewhere in this city of ceaseless movement they had to find a home, a place to live in and work in. Eventually Victor Rosso hit on a studio at 11 West Fifty-sixth Street where he gradually settled down and eventually hung the walls with the collection of pictures he had brought from the Argentine. Then the couple began to adapt themselves to the new conditions and became part of the vast multitude whose comings and goings attract no more attention than the movements of grains of sand on the seashore.

About a year after they arrived in New York the eyes of Mrs. Rosso gazed on the finest picture she had ever seen, in the shape of a baby son whose smiles were a never-failing source of delight to her. The congratulations of the few acquaintances they had made during their year's sojourn in the city fell sweetly on her ears and when she was up and about she lavished on her baby every care.

Anyone who set foot in the studio would have been reassured about the financial standing of Victor Rosso. His collection of pictures round the walls made a most imposing array and were in themselves a sign of wealth. Visitors browsed over the paintings and the names of masters tripped to the tongue.

"I like that," one might say.

"Yes, The Fisherman, by Corot."

"It's lovely . . . and so is that."

"Yes, that's a Calderon."

If one or two visitors went away feeling a little envious of Victor Rosso, there was seemingly some excuse for them. Here was a man with a charming wife and lovely son and a fortune hanging from his walls—what more could man desire?

All of a sudden, on October 26, 1930, the happy routine in the studio was brought to an end. Smoke and flames were seen belching from the windows, and although the fire brigade was on the spot in a short time, they were too late to save the pictures. Practically the entire Rosso collection, to the extent of 156 pictures, was destroyed in the fire. When the last embers were extinguished, and the firemen had rolled up their hoses and departed, Chief Fire Marshal T. P. Brophy stayed to poke about a bit in the debris and have a chat with Mr. and Mrs. Rosso. They were naturally very upset by the disaster. It was terrible that their valuable col-

lection should have been swept out of existence so quickly.

"Are you insured?" inquired the officer.

"We are," said Mr. Rosso.

"That's lucky! Who are you insured with?" asked Fire Marshal Brophy.

"With the Great American Insurance Company and the Home Insurance Company," was the reply.

"Were the pictures valuable?"

"Yes," said Mrs. Rosso. "The collection was left to me by my uncle."

According to Mrs. Rosso, her uncle, Harold Stanley Godber, had been the owner of a vast ranch in Cordoba. He was extremely wealthy, and when he died in Cape Town in 1925 he left her his collection of paintings.

Fire Marshal Brophy listened politely to all Mrs. Rosso said, while the artist added an explanation or a word of confirmation now and again; but the officer seemed to be a little diffident. If they could have seen him later rummaging about among the debris in the studio they might have been rather more distressed by his actions than they had been by the destruction of their collection of pictures. Somehow the officer was not satisfied. He could not understand why the fire blazed up so quickly and destroyed the contents of the studio before the brigade arrived. Pulling a piece of material from a mass of debris, he held it to his nose and sniffed deeply.

"Gasoline," he murmured

At once he began to search the debris with greater care than ever, and from time to time pulled out other pieces of fabric which to his sensitive nose betrayed a strong smell of gasoline, otherwise paraffin. He collected his specimens and took them away to the fire station. Then he had a confidential talk with the police of the district.

Meanwhile Mr. Victor Rosso sat down and wrote to the insurance companies to inform them of the fire and claim insurance to the amount of \$133,065 each, or \$266,130, say about £53,000, for the loss of the pictures. The insurance companies did not send their cheque by return of post. They were quite as cautious as Fire Marshal Brophy was inquisitive.

Not much can be gleaned from the ashes of burned canvases and frames, especially after they have been subject to the high-pressure stream from a hose. It is easy enough then to point to them and say they were old masters, but not so easy to refute it.

Fire Marshal Brophy, just by way of precaution and because those fragments of fabric really did convey to his nostrils an uncommonly strong odour of gasoline, thought that the least he could do in the way of his duty was to make an inquiry about Mrs. Rosso's uncle who used to live in Cordoba. If Mr. H. S. Godber had owned a big ranch there and was wealthy enough to bequeath a fine collection of pictures to his niece, he was bound to be well-known. Accordingly the officer sent a cable to the Cordoba police asking for information concerning Harold S. Godber of the Godber Ranch, Cabalito.

The Cordoba authorities made inquiries and their reply was not entirely unexpected by Fire Marshal Brophy. It ran something like this: "Godber unknown in Cordoba and Godber Ranch, Cabalito does not exist."

At once several questions crowded into the officer's mind. Why should Mrs. Rosso lie about the way the pictures came into her possession? Why did the fire blaze up so fiercely? Why did that fabric smell so strongly of gasoline? The one and only answer he could see to all the questions was the sum of \$266,000 for

which the pictures were insured. With such a sum in the bank there would be no need for those who lost the pictures to worry about money for a good many years to come.

Victor Rosso made no attempt to hide his talent as a painter. He stressed it to the best of his ability. As a sign of his eminence he mentioned to the Fire Marshal that he had won an award which brought him the high honour of sittings from Pope Pius XV whose portrait he had painted so brilliantly that it was hung in the Vatican Gallery. This was indeed something for any artist to be proud of.

Fire Marshal Brophy did not wish to be unjust to the artist, so he sent an inquiry to the Chief of Police of Vatican City asking for confirmation. The Chief of Police replied that the statement was untrue, so the Fire Marshal realized that it would not do to place too much reliance on Victor Rosso's word.

After that the cables between New York and Buenos Ayres were kept quite busy over the doings of Victor Rosso who got as great a shock as his wife when the officer confronted them with the cable saying that the Godber Ranch in Cabalito did not exist. She had to confess that the story was untrue—there was nothing else to do in the circumstances, for only a person utterly devoid of intelligence would have held to a story when confronted with official proofs that she had been lying.

About three weeks after the fire broke out, they were both arrested on a charge of second-degree arson. The first time they appeared before the court his bail was fixed at \$50,000 or £10,000, while hers was fixed at \$10,000 or £2,000. The police, however, were not wanting in human kindness, and as she was nursing a young baby they eventually agreed to a lower bail which enabled her to be released to look after the child.

Gradually it transpired that Victor Rosso possessed quite a lot of imagination, although he was sadly lacking in logic. For instance, in these days the opposite ends of the earth can be linked up by cable and wireless and telephone in a few minutes, and it is as easy for the police in New York to talk to the police of Buenos Ayres as it is for them to speak to the policeman on the other side of the road. Victor Rosso overlooked this. Apparently he harboured the vague impression that it was only necessary to go from Buenos Ayres to New York in order to conceal completely anything that had happened to him in the Argentine.

Another thing he overlooked when he came away was to pay for some of the frames of his pictures. This was rather hard on the picture-framers, who had furnished their mouldings and labour without receiving any payment, so their impression of the artist will easily be understood. Perhaps he forgot the accounts and intended to pay some other day. Anyway, some of the frames were not paid for when he was arrested—and the police have blunt names for people who get credit and go away without paying their bills.

Another mishap cast rather a high light over his past career inasmuch as the fire in New York was not the first fire which had desolated his artistic heart and home, for on January 14, 1927, the flames had worked havoc on his possessions in Buenos Ayres and destroyed a number of pictures by masters. It was fortunate that he was able to get together such a nice new collection of old masters to take with him to New York a couple of years later.

"Where did you get the paintings?" they asked him.

"I bought them with \$200,000 I won on a horse race," he replied. It seemed a safe bet.

"What was the name of the horse you backed?" they inquired politely.

The artist looked at them blankly. He could not tell them. It had slipped his memory, the name of the horse that had brought him a fortune could not be recalled. Which shows how much better his imagination would have been if strengthened by a little logic.

As he was claiming \$266,000, he realized that he would have to possess a large sum to pay for his paintings. He was all right on that point, but he failed to produce the name of a horse that had won at long odds. Even if he had named such a horse, there would have been the name of the bookmaker who had paid out this fortune. The bookmaker would not be likely to forget such foul luck, and his books would show the name of the man who had received the cheque.

The artist swore that he had collected the paintings all over Europe while he was travelling about for twelve years. Which meant that he started on his travels buying paintings when he was twenty years old, that the greater part of his collection was in his possession while he was in Buenos Ayres in 1927. Why, therefore, were these masters not destroyed in the previous fire?

The funny thing was that many of them were burned in the Buenos Ayres fire. Anyway, there were the names of them in Victor Rosso's earlier claim to prove it.

It rather looked as though his old masters were painted in duplicate and burned twice. That also was rather an oversight that did not tend to increase faith in him or his word.

Even worse was his lapse over the insurance, a lapse that no logical man would ever make. The inquisitive investigators discovered that he shipped his collection of pictures from the Argentine to New York without insuring them at all during the voyage. Nor was this

the only significant factor. Although he had suffered from a previous fire in which his pictures had been destroyed, and he was therefore fully awake to the danger of the pictures being burned, he was content to allow them to hang upon his studio walls in New York from June 1929 to March 1930 without being covered by insurance.

Of course, that was asking people to believe rather a lot. No honest man who owned pictures worth £50,000 would leave them uninsured for a single day, let alone for nine months, especially if he had lost pictures in a previous fire.

The evidence against Victor Rosso grew so weighty that he was crushed under it. His imaginative stories failed to save him, and the jury of ordinary citizens of the United States with their ordinary stock of common sense found him guilty of conspiracy and of using the United States mails to file false claims with the insurance companies, so the artist was sent to the North Eastern Penitentiary for a term of years to enable him to decide whether honesty was the best policy after all, while his wife was acquitted.

That, you might think, was the end of the case. But not at all. In spite of all the evidence that came out during the trial, in spite of the fact that her husband was serving a term of imprisonment for attempting to defraud the insurance companies, Mrs. Victor Rosso actually had the temerity to press the companies for payment of the insurance. When they refused to pay, she took the bold step of carrying the matter to court and suing them. Incredible though this seems, it is the simple truth. Whatever else Mrs. Victor Rosso lacked, she did not lack nerve.

It seemed impossible that she could succeed when her action came on in the Supreme Court before Justice

Albert Cohn on April 4, 1934, but the matter was cleverly thought out. The first thing her counsel did, after the case had been outlined, was to plead that the insurance companies were prejudicing the case by pleading that Mrs. Rosso's husband had been convicted and he asked for a motion to exclude this.

To the surprise of Mr. A. Kaplan, the counsel for the companies, the judge granted this motion. It meant that the companies were compelled to produce evidence that the proofs of the loss put forward by Mrs. Rosso were false, that they had to go over it all again and convince a new jury that a swindle had been attempted.

It was a clever move on the part of Mrs. Rosso's counsel; it meant a ding-dong battle in court before a jury whose emotions might sway them one way or the other and swamp their sense of logic.

Mrs. Rosso now swore that the pictures had been given to her by her husband. It was noteworthy that during the trial that led to the conviction of her husband, neither she nor Victor Rosso gave any testimony in court. They were well-advised by their counsel to refrain, for had they testified, they would have had to stand a severe cross-examination from the prosecuting counsel, and it was impossible to foresee what admissions might have been wrested from them. On this occasion Victor Rosso was brought from prison to the court to try to bolster up the case.

It really was rather amazing. The companies were excluded from pleading that he had been sent to prison for attempting to defraud them, yet it was announced in court that he had been brought from gaol under a writ of Habeas Corpus to testify on his wife's behalf.

The companies had so much at stake that they dared not take anything for granted. They were compelled to

use every means in their power to defeat Mrs. Rosso's claim.

As well as the facts that have been related earlier, there were other facts equally as astonishing which they were able to bring forward and prove. What was rather a bitter blow to Mrs. Rosso was the fact that the whole collection of pictures had been properly valued by the United States Official Assessors who spend their lives valuing objects of art for the customs. The whole collection was valued at no more than \$5,000 or about £1,000 which averaged out at about \$35 or £7 each picture—a farcical sum for canvases that were supposed to be by masters. The assessors were experts who were highly skilled in their work. For anyone to claim £50,000 on pictures which had been officially valued at £1,000 was in itself proof of attempted fraud.

Unfortunately for Victor Rosso, his wife admitted that he was a very skilled photographer and enlarger, and the companies bluntly asserted that the collection of paintings were nothing more than coloured enlargements. Nor was evidence on the point lacking. It seems that in their search of the Rosso possessions the police came across some forty coloured postcards of pictures by well-known artists—was it just a coincidence that forty of the pictures in the Rosso collection bore similar names and titles? If so, it was merely another coincidence that these coloured postcards bore unmistakable signs to the skilled eye that they had been enlarged and copied. As many of these were known to be in public galleries, and as some of them also figured in the Rosso collection that had been burned in the Argentine, it hardly seemed necessary to continue the case.

Mrs. Rosso, however, fought on in her attempt to get the money. She listened while Mr. Kaplan read out a list of some of the masters that were supposed to have

been burned. "View on the Seine," by Homer D. Martin, \$3,000, he read, and turned to Mrs. Rosso. "Don't you know that View on the Seine has hung in the Metropolitan Museum for at least ten years?" he asked.

"No. That does not say that ours was the same view," she retorted.

So determined a refusal to accept the facts and to attempt to deny them and refute them was met by the companies in an irrefutable manner. What the jury could see with their own eyes, the companies were firmly convinced that the jury would believe. Mrs. Rosso claimed from them a sum of \$3,000 or £600 for the picture by Homer D. Martin called View on the Seine, so they would show whether her claim that this picture was burned was valid or false.

Accordingly the next day the jury observed a canvas being carefully unwrapped before them, while Mr. Harry B. Wehle, the Associated Curator of the Metropolitan Museum of Art was called to the witness stand to testify.

"Can you identify this picture?" he was asked.

"Yes. That is the View on the Seine, by Homer D. Martin, the property of the Metropolitan Museum of Art," was the answer.

"Is there any doubt about its authenticity?" said Attorney A. Kaplan.

"None at all," replied Mr. Wehle. "The officials are quite satisfied it is the original."

That was the end of Mrs. Rosso's claim.

Thus the Metropolitan Museum of Art, to further the course of justice, produced an actual picture which Victor Rosso swore was destroyed by fire, the identical picture for which Mrs. Rosso strove to wrest payment from the companies. It was never in their possession and its

existence on the walls of the Metropolitan Museum stamped their claim as a manifest fraud.

That Mrs. Rosso should have had the audacity to attempt to force payment after her husband had been convicted and sent to prison for using the mails to try to defraud the insurance companies is one of those things which is difficult to believe and almost impossible to understand.

CHAPTER XII

THE GOLD DREDGE CLAIM

GOLD claims possess an irresistible appeal to many level-headed people. A find in the most mountainous country, in pestilential swamp or almost impassable jungle, notwithstanding that it may be a journey of several days from the nearest road or railway, will often win the support of the public.

This being so, it would appear to be almost a gilt-edged security to back a gold mining proposition in Spain. The country is easily reached; it is no great distance from London; and people used to wandering about Britain are wont to imagine Spain as a similar land where most parts of the country are readily accessible.

Yet Spain and England remain two different countries. Where communication is easy in Britain, there are parts of Spain very remote from roads and railways, where even to-day the roughest tracks suffice for the most ancient methods of transport, the horse and mule, or occasionally an ox-cart.

It was in pre-war days, when means of communication were far scantier and much worse than they are now, that gold was found in the silt of the River Orbigo, some twenty miles or so from Leon, in northern Spain. Up in the nearby mountains the gold must have been washed out in bygone ages. Sun and frost and wind and rain played their part in disintegrating the quartz, and the floods swept down the detritus and piled it up by

the river's edge, hiding in the masses of material the specks of gold which, if only they could be collected, might yield a fortune to the lucky people who were prepared to attempt the task.

A series of boreholes gave an attractive yield of gold, a mining concession was granted in due course, and a company was formed in London in 1913 to win the gold from the alluvial lands of the River Orbigo. A capital of £100,000 was considered to be quite adequate for the task, but before anything could be done on the concession the war broke out and delayed operations until more propitious days.

When, after the war, the proper development of the concession was reviewed, the directors decided that the best way to secure the gold from this alluvial deposit was by dredging and washing. So far as they could discover, it would not be necessary to dredge lower than twelve feet in order to reach the level that was richest in gold. Accordingly they ordered from Messrs. A. R. Brown, Ltd., a dredge that would dig to this depth. It was equipped with screens that would allow the finer silt to pass, while keeping back the heavier rocks and stones, after which the silt was to be washed upon tables where the heavier particles of gold would settle and be recovered, while the useless material would be thrown out.

The development of a gold-mining concession is seldom without difficulties. Mining experts may make their tests, putting down their boreholes in the alluvial or drilling down in a reef, and find gold in payable quantities. But with all their skill they cannot tell what drawbacks are hidden underground or beneath the running waters of a river.

After the dredge had been designed to do the work specified in the contract, the directors of the mining

company found that the depth to which they would have to dredge, if they wished to reach the richest levels would have to be increased to twenty-five feet. By then the dredge was being built, but the builders managed to increase the depth by adding eight feet six inches to the framework or ladder over which the endless chain of dredging buckets passed. All the designer's calculations, it must be remembered, had been reached upon the basis that the dredge was only to work to a maximum depth of twelve feet: it was accordingly constructed to withstand the loads and strains and stresses entailed by work at this depth.

By the time the dredge was set up and tested on the ground, it had cost the company £20,000, which sum included freight charges to Spain and transport over the twenty-mile belt of difficult country that separated their concession from the nearest town of Leon.

Having satisfied himself that the dredge fulfilled the terms of the contract, Mr. E. T. Feacey, who designed it and set it up on the banks of the Orbigo river, formally handed it over to the company. Their resident engineer, Mr. J. I. Yeats, who possessed a good knowledge of dredges, at once began the initial work on the claim, while the shareholders in London, when they heard that the dredge was ready, began to think that at long last they were going to see some return for their money.

Instead, however, of the ground being small gravel and fine silt as was expected, Mr. Yeats found it to be full of big boulders and stones that made dredging difficult, if not impossible. This was a sad blow to the directors of the enterprise. A worse soon manifested, for it became obvious, as the dredge got to work, that it could not reach the true depth at which the gold existed in quantity. That depth was not twelve feet, as origin-

ally estimated, nor yet the twenty-five feet which the dredge had been altered to reach. From further tests they were forced to conclude that the bed of the river lay at a depth of thirty-five feet and it was therefore to be expected that large quantities of gold would have worked down to this depth.

The officials on the spot did their best with the dredge. They had good reason to believe that the gold was there if only they could get at it. Meanwhile the working expenses were draining away the remaining funds of the company, and by June 1926 the directors were facing the fact that the capital of the company was exhausted. With only a trifling amount of gold to show for all their expenditure and hard work, they were compelled to call a halt to the enterprise.

Loath to abandon a concession that might yield fortunes, and anxious to do their best for the shareholders whose money was all spent, the directors, casting round for the best thing to do, agreed to allow another company to run the dredge and work the concession in return for £1,000 a year and half of the profits made out of the gold claim.

The new concessionaires in their turn started to work the dredge in an effort to wrest the gold from the gravels of the Orbigo River, but they unfortunately clashed with the ancient rights of the peasants whose whole existence depended upon being able to obtain the water essential to their crops through the irrigation channels that had been made. The work of the dredge began to interfere with the water supply in the channels. The peasants, with their livelihood jeopardised, were not content to see their ancient water rights destroyed by strangers seeking gold in the river bed. Going off in a body to the local authority, they protested so vehemently, and made out such a strong case, that the local authority

promptly suspended the concession and stopped the dredge from working.

The directors of the original company must have been very unhappy about the whole business. The sum of £100,000 subscribed by the public was spent, yet the men in charge of the company were firmly convinced that they were almost within reach of large quantities of gold. Disappointed as they were, they refused to give up hope. They could not go to the public for more capital, because all their capital was fully subscribed. What they did, after consideration, was to obtain official sanction to write down the issued capital from £100,000 to £40,000 by reducing the face value of the 5/- share to 2/-. This was done in the proper legal manner, and it is worth noting that in the statement the chairman of the company and the secretary swore that the value of the dredge was £7,762 5s. and that it was unsuitable.

The directors were now in a position to issue another £60,000 of shares, if they could induce the public to put up the money.

Some months previously they had asked the builders of the dredge to send out their designer, Mr. E. T. Feacey, to Spain to examine it and report on the alterations that would have to be made to enable it to dredge to a depth of thirty-five feet. Mr. Feacey told the company that the dredge was well able to do the work for which it was originally designed, but if they wished to dredge to a depth of thirty-five feet they would have to install a new engine for pumping, so that all the power of the main engine could be utilized to cope with the extra loads that would be thrown on it.

There was no attempt on the part of the builders to persuade the directors of the mining company that the dredge would then be beyond criticism. On the con-

trary they went out of their way to emphasize the drawbacks she would still suffer from when the alterations were made. On February 8, 1929, the builders, Messrs. Arthur R. Brown, wrote:

"It must be understood that the dredge will still remain a very light machine to work your exceptionally heavy ground. Considerable care and caution must be exercised and the fact of her unsuitability kept in mind. The alterations recommended are such as can be carried out with the minimum expense and have been decided upon, not with the view to make her indestructible, but to enable her to overcome her present inefficiencies and to produce immediate results. At a later date, as wear takes place, buckets, gear and much of the structure will presumably be replaced by parts more adequate to deal with the conditions of your claim."

To the directors of the mining company there was no alternative. They had either to make these alterations in order to enable the dredge to get down to the level where the gold was expected to be, or they had to give up the struggle and acknowledge that everything was lost.

In the circumstances they decided to seize this last chance. The first thing they had to do was to find the money for the alterations and to pay working expenses until the dredge began to recover the gold. Accordingly they sent out notices to all the shareholders to see if they would subscribe the additional capital.

But hope deferred maketh the heart grow sick. The shareholders were tired of waiting. The prospects which originally were rosy enough to charm the money from their pockets had lost the glow which seemed so attractive. They began to think that gold mines in Spain and castles in Spain had something in common. The claim on the Orbigo River had swallowed up enough of their

money and they were not willing to risk more where so much had been lost. So they shut their eyes and ears to the appeal of the directors and refused to back the enterprise further.

The directors of the company were very disappointed at the lack of faith shown by the shareholders. Their own faith, however, remained undimmed. They still hoped to wrest success from failure and win the gold from the ground in the River Orbigo.

Conferring together, they went into the subject thoroughly and decided in the end to put up the money themselves with the help of a few friends in order to make one more alteration to the dredge to enable it to get down to thirty-five feet, which was the golden horizon of their hopes. Finding a sum of £12,000 between them, they ordered the builders to alter the dredge as suggested. The new pumping engines were obtained and set up on the pontoon carrying the dredging machinery, the framework over which the dredging buckets passed was lengthened still further, and by the end of September the dredge was once more ready to start work.

The spirits of the directors of the mining company ran high. Now, if ever, they hoped to reap the reward for all their enterprise and persistence. Mr. Yeats, the engineer in charge of the dredge, started it working, the buckets began to cut down into the ground and bring up their loads. At last the officials of the company began to see a colour of gold on the tables, not much, it is true, but they had recovered gold, and after working the dredge for a week they had five ounces of the precious metal to show for their labour.

Mr. J. S. Dane, one of the directors from London, was on the spot watching operations for himself. Mr. A. D. Prangley, the company's chief representative in Spain was there to study the way the dredge functioned.

"You know, Prangley, we are losing gold here; I am not satisfied with the results we are getting with this dredge; we are losing gold. There is always very, very fine gold—specialists talk about flour gold that floats; we are losing that. It seems a sad pity, because the boreholes have always shown us much greater value than the dredge has given us; therefore it is this flour gold which is being carried away, and we are not getting it, but it is there; because the boreholes are showing it. We must get on to this business somehow in saving that; we must get a specialist out. It means paying a lot of money, reconstructing our dredge, and then losing what we ought to be saving," said Mr. Dane to Mr. Prangley.

So even now the dredge was not doing all they hoped. Their faith in the enterprise was strong enough to stand the crucial test of putting up their own money to carry it on. Mr. Dane himself had spent £9,000 on the dredge. Their boreholes told them that the gold was in the ground and now they were mocked by the fact that much of the gold was so extremely fine that it would float away on water. They could not fail to be anxious about the fate of their enterprise, to wonder whether they would succeed in overcoming all the difficulties of working the ground and winning the gold.

Day by day the buckets scooped into the ground and shot out their contents on the screens, while the mass of waste material was adding to the bank of spoil that protected the dredge. The gold taken from the collecting tables reached a total of ten ounces; each day's work brought in a few more pennyweights. Then after working for seventeen days, during which the gold recovered amounted in all to fourteen ounces, one of the buckets tried conclusions with a big boulder hidden away in the ground and the shaft of the elevator was so bent

under the strain that the dredge could no longer work.

Without delay Mr. Yeats, the engineer in charge, began to put the damage right. His position was not very enviable, for he knew the dredge was not fulfilling the expectations of the directors, and the daily recovery of gold could not have been paying the daily expenses. He was a competent engineer, doing his best with the means available, but it was obvious to him that the means available were not suited to win all the gold which lay in the ground. However, he devoted his energies to the task of repairing the dredge—a job that he had barely finished toward the end of November when it began to rain.

For day after day it continued, and the water pouring down from the mountains brought about such a dangerous condition of the river that on December 3rd the men were not able to go on board the dredge at all, because of the floods. She lay in a depression which she had scooped out on one side of the river bank. Most of the stuff she had dredged out during her two years on the spot had been dumped behind her to form a wall upstream which served as a fine protection for her; at the side of her more of the soil had been dumped to form another bank, so she seemed to be as secure as it was possible for anything to be.

That night the gale increased to a hurricane. The rain was awful. The torrents raced down the mountains, piling up in the river and exerting a force that nothing could withstand. The waters ripped away the great wall of debris that protected the dredge upstream, and when Mr. Yeats went down as soon as it was light to see how the dredge had fared, he was unable to get near it, owing to the floods. From his vantage post he saw with dismay that she had come to disaster, for she lay over on her side amid the swirling waters.

The wrecking of the dredge, coming on top of all the other difficulties, seemed to be the end of the company. The directors had struggled desperately against natural adversities which they could not foresee, they had even backed their chances with their own money. Now a tempest had put paid to their efforts.

But had it? Was the dredge not insured with Lloyd's?

The directors pondered. Instead of a disaster the loss of the dredge might indeed prove to be the biggest stroke of luck the company had ever had. She was practically useless for the job they were asking her to do, she was losing the gold which they hoped she would recover, now a tempest had wrecked her. They looked at their engineer's letter and noted his remark that she was carried over on her side.

Captain L. J. Etherton, one of the directors of the company, called up the makers of the dredge and told them the news of the accident. Mr. Feacey, the engineer who designed it, concluded that the dredge was finished. If she had been dredging at thirty-five feet, and had been rolled over by a big flood, he thought it quite likely that she was at the bottom of a thirty-five-foot hole buried in half a million tons of sand.

Nobody in London knew the exact position of the dredge. It was all conjecture. Her hull was admittedly light and she was crowded with heavy machinery, so it seemed impossible if she were overturned that she could fail to be a total wreck. The makers upon whom Captain Etherton called next day to discuss the matter, thought this must be so. They were informed that she was sunk and inferred that she was at the bottom of a deep hole.

"If the dredge has gone down under her dredging depth of thirty-five feet, she is lost," remarked Mr. H. E. Fletcher, the manager of the builders.

It was admittedly all guess work. Lacking definite facts

to go upon, the makers could only consider possibilities and probabilities, and they could only say what they imagined the effect of the accident must be. They did not give a considered opinion, nor did Captain Etherton ask for an official opinion. He wanted to know what they thought were the chances of salvage and the opinions were given in the usual informal way that men give opinions when they are discussing any accident of which details are rather meagre.

That was good enough to Captain Etherton and for his fellow directors Mr. Dane and Mr. Eldridge. Under their insurance policy Lloyd's would have to pay £20,000 if the dredge were a total loss. She was no good to them. The makers had told Captain Etherton that they thought she was finished. The directors of the mining company hoped she was. Whether they believed it was another matter. It was in their eyes the most opportune accident that ever happened during the chequered life of the company. It was a providential chance of obtaining £20,000 for a useless dredge when they were not in a very happy financial position.

The temptation was irresistible. With no more information than the engineer's remark in his letter that "the dredge has been carried over on her side," they decided to claim for a total loss, which they did.

"Fear she is a total wreck," they wrote to their insurance brokers on December 11, 1929.

The same day they started to try to make out their claim by cabling to the engineer in Spain: "Dredge fully insured. Will claim as total wreck. Necessary to have full report immediately. Consult with Prangley without fail before drafting same."

These cables were sent by the directors of the company in their official capacity. But not so the letter to Prangley. That was a private letter written by Mr. Dane, who had

left Prangley in Spain a few days after the accident without actually going to the trouble of seeing what had happened to the dredge for himself.

After referring to the two cables, he wrote: "The whole object now is to try and claim the dredge as a total loss. The policy that we have got, from what I have seen of it, is a very clear one, but of course the insurance company will endeavour to establish that it is not a complete loss and perhaps make an allowance to us for damages, or perhaps undertake to repair it themselves, and what we have got to fight for is absolute loss. The argument will be that for our purposes, that is dredging, the machine is a total loss, in other words, through twisting and warping of the plant it will be quite impossible for it to ever dredge again, and that is what I would like Yeats to harp on in his report to us. Of course, if the dredge is at all workable, Yeats will be endeavouring to encourage us by saying that he can soon get it fixed up and so on and so on, but we do not want him to do that.

"We want him to stress the fact in every way, that this machine is no longer of any use to us, and he as a mechanic could put this aspect of the business in the strongest possible way. That is why I want him to draft up the report to this effect. We do not like to write to him and ask him to do this, but you can do this verbally, and on our behalf, you, as the company's representative, will have to argue this point before any representative of the underwriters, whoever they will send over. I believe they have a survey representative at Vigo who will come up and inspect the dredge, and you will have to argue the point with him on our behalf, that as a dredging machine, the whole business is useless. You will, as I say, confer with Yeats and get him to draft his report in this way to us, that is, the Dome, and then when the surveyor

comes who represents Lloyd's people, you will have to argue the point with him verbally. . . . This letter is, of course, strictly confidential and private, and I do not think you should show it to Canesco or anybody else. It is a very fortunate thing for us that we have the insurance policy.

"Nothing in the report must convey the idea to anybody that the dredge was left without anybody on her. They might make a point that the dredge was not occupied. I think that, of course, the whole matter should be that the dredge was smashed owing to the enormous amount of wind and water and that nothing can be done by any man to save her. You can explain all this to Yeats verbally, but we must not write it."

The company was undeniably dogged by ill-luck; the dredge which they had built and altered three times was unsuitable for their purpose. The capital cost of the small quantity of gold they had recovered worked out at about £8,000 an ounce. They had a genuine claim against the underwriters in connection with the accident, but there was a clause in their policy about a false claim to which they did not give enough consideration.

They claimed for a total loss, and fought for it tooth and nail in court, denying stoutly that they ever regarded the dredge as anything else but a total loss when they made their claim. Had they not been to the makers of the dredge? Was it not a fact that both the manager and the designer of Messrs. A. R. Brown thought the dredge was finished if she were sunk in a thirty-five-foot hole? How was it possible for the dredge not to be at the bottom of a thirty-five-foot hole when she was on the edge of one and had been toppled over?

Just as that clause in the insurance policy ought to have made them pause, so there were sentences in

Mr. Yeats' letter of December 4, 1929, describing the accident that ought to have pulled them up short.

"Following up my letter of yesterday's date *re* the weather in conjunction with the dangerous floods, the gales have increased with unabating fury with the result that the river overflowed its banks last night and cut away the protecting wall which has been sheltering the dredge for the last two years. The volume of water was so great that it must have carried everything before it. From the position of the dredge I have come to the conclusion that the water overflowed into the pump chamber with the result that the dredge has been carried over on its side. Last week at the first sign of the heavy rains I took every precaution to ensure the safety of the dredge by altering its position, but nothing could have saved it after the bank gave way, so great was the hurricane.

"During the week-end the weather was extremely moderate and everything quite all right when I left along with the men on Monday evening, but within a few hours the storm arose and the river was coming down in torrents. Yesterday morning the place was one expanse of water and nobody was able to get near the dredge. This afternoon the weather abated sufficiently for me to cross at one point in a bullock cart and from the inspection I have had I do not think any harm has occurred to the structure. It means a delay of a few months until the better weather sets in when I will be able to pump out the paddock and raise the dredge. This is indeed a sad calamity after all the setbacks the company have had, and personally I am feeling the blow most acutely in view of the fact that I was on the eve of starting up again."

The opinion of the engineer on the spot that he could raise the dredge did not fall in with their views. It was not the dredge they wanted, but the insurance money of

£20,000. To work that claim properly it was necessary to dredge not to thirty-five feet, which was the false bottom of the river, but to eighty feet, where the true bottom of the river lay.

It can be understood now why that letter was sent to Mr. Prangley. They were afraid the engineer on the spot would upset their plan for obtaining payment for a total loss. They did not know how far they dared go with the engineer, yet a report from him that the dredge was a total loss was essential to them, so Mr. Dane wrote his private and confidential letter to Mr. Prangley.

Of course the other directors denied knowledge of this letter, but there was the cable of the company telling Prangley that it was being written to refute their denials.

As a result of this letter Prangley dictated the report of December 16th which Yeats wrote down, and in it was the sentence: "I cannot imagine any means of salving her to make her a working proposition."

On December 12th, four days before this report was signed by Mr. Yeats, he sent a cable which he probably thought would delight the directors of the company. "Have arranged for pumps start refloating if dry weather continues."

It was the last thing they wanted. "Do nothing with dredge until further instructed," they cabled back.

That cable was followed by a letter from the secretary of the company next day, December 13th. "We have learned with regret of the disaster to the dredge, but it is fully insured and we are making a claim as a total wreck. We shall require a full report from you for this purpose and have asked Mr. Prangley to see you and would like you to draw same in co-operation with him without fail."

The pressure that the directors brought to bear was more than Mr. Yeats could withstand. Knowing that the dredge could be salvaged, he signed the report that

Prangley dictated and so became the dupe of the directors. At every opportunity they instructed him to speak of the dredge as a total loss. They even considered taking photographs when the water was at its greatest height in order to confirm their view. But their suggestion that she was a total loss was completely knocked on the head by a Spanish salvage firm that undertook to raise her and put her machinery right for £6,500. They refused to agree to this.

Instead of finding the dredge suspended over a thirty-five-foot hole, the diver sent down by Señor Angel Alvarez found her resting on a gravel bottom, nor could he detect a single rivet that was started in her plates.

After Señor Alvarez had signed a contract to salve the dredge and repair the machinery, he received a visit from Mr. Prangley who stressed the difficulties of dealing with the dredge and suggested that he would lose his money. It is difficult to conceive what that visit could have been for, if not to persuade Señor Alvarez to withdraw from the contract. Anyway, Captain Elmes who was in Spain looking into the matter on behalf of the Salvage Association wrote to his principals in London to inform them of the visit, which merely served to increase the suspicions of the underwriters and confirm their impression that the directors of the company in claiming for a total loss were claiming for something which they knew to be untrue.

To Prangley the directors wrote on January 16, 1930: "We want Mr. Yeats and also yourself in any conversation you may have with the Salvage Association's representative to insist upon the total uselessness of the dredge to us even if she were raised and that we and our engineers are confident that she could never be made a satisfactory working unit. We are afraid that Mr. Yeats' mind may naturally trend the other way."

This letter contained the bitter truth which drove on the directors in their efforts to obtain that £20,000 for a total loss. The dredge was useless and it never could have been made a satisfactory working unit. The letter also proved that the directors knew that Mr. Yeats had falsified his own opinion in signing the report which Mr. Prangley dictated for him.

From the moment they heard of the disaster their letters and cables gave them away completely and revealed their attempts to sustain a claim which they knew to be quite false.

Directly they learned that the underwriters were going to fight, they sensed the danger that lay in the written word, so they did their best to withhold the most illuminating documents. How could they convince a judge that they honestly believed the dredge was a total loss when their own engineer told them he could salve it, how conceal their guilty intention of Mr. Dane's letter to Prangley came to light?

Is it to be wondered at that these letters and one or two telegrams were not among the documents sent to the legal advisers of the underwriters? Eventually the persistence of the underwriters for further documents led to their production and the reason why they were not sent became obvious.

English law, however, contains so many twists and turns that it is a continual problem even to those who seek to administer it. There was no disputing that the dredge had met with an accident and that the underwriters under their policy would have been liable to repair the damage she had suffered. In order to satisfy this genuine claim, if it had been made, the underwriters paid into court a sum of £7,500, which was sufficient to salve and repair the dredge.

It was at the end of the case that one of these

peculiarities of the law became evident, for although Mr. Justice Branson found on November 25, 1931, that the directors of the company had been guilty of attempted fraud, he had to deal with the accident to the dredge as though they were quite innocent and entitled to damages.

It seemed rather farcical. Nevertheless he considered the matter most minutely, weighing this and that and the next thing, and the directors suffered the chagrin of knowing that if they had not tried to cheat the underwriters they would have won an award of £7,500.

Because they strove to magnify their honest claim into a dishonest one, they got nothing at all.

CHAPTER XIII

AFTERMATH OF VERDUN

VERDUN, with all its slaughter and sacrifice, symbolises the soul of France. At the onset of that bitter conflict the French command was shocked into a realisation that the strength of the fortress had been sadly weakened by the withdrawal of guns and men while attention was concentrated upon holding back the enemy on other parts of the front, thereby entailing alarming deficiencies which could only be met by a sacrifice of life at which the mind shudders. French and German armies vanished in that inferno like mist in the sunrise, until attackers and attacked lay confronting each other in a stage of utter exhaustion.

"They shall not pass," was the cry of the French, who were animated by this spirit while husbands and sons died for France until the Verdun bastion was securely held against the German onslaughts.

So long as the conflict raged there were men recording all the stark reality of it for posterity upon the films which were of historic importance. After the war these films, which had flickered across the screens of France to enlighten the French nation regarding the heroism of the French armies at Verdun, were replaced in their circular tin boxes and put on the shelf, from which they were taken down once more to show again in France and Germany. Then the French company owning the film went into liquidation and these records of the defence of Verdun were returned to their tin prisons on which the dust slowly settled as the war years receded.

Much as the sensitive mind would shrink from turning to commercial profit these historical records which men had made by sacrificing their lives for their country, it must not be overlooked that although some men in the film world may be more interested in the profits than in questions of taste, a good purpose may still be served if such records can be utilised to hearten people and induce in them a feeling of veneration for those who gave everything so that their country should survive.

So far as I can gather, the thoughts of Monsieur Max Fournier and his associate Emile Buhot must have travelled along these lines. Like so many men in the world of films, they were fairly wide-awake; they sought not only a livelihood, but that lucky opportunity which the keen mind will sometimes single out as a chance of reaping a rich reward.

Being French, they knew full well what Verdun meant to the French nation. It stood for patriotism of the highest order, self-sacrifice, dear ones lost, sad memories mingling with a glow of pride at the thought of incredible feats of heroism. Not a soul in France could think of Verdun without being stirred. The mere mention of the name recalled to mind the famous phrase—"They shall not pass."

Max Fournier and Emile Buhot thought a lot about Verdun. Here was a name to conjure with. If only it were possible to do something with it on the films it seemed reasonable to expect most profitable business. They talked it over and talked it over again.

Having already been shown as historical pictures, the scenes of the defence of Verdun were no longer of value as a box office attraction; they were no more likely to win money from the pockets of the French public than last year's newspapers would induce Londoners to part with their pennies. They were, as news, out-of-date.

Admittedly they were historical records of priceless value—to the historian—but to the picture-going public, which does not pay to see the same thing twice, they were worth very little, if anything at all.

This was unanswerable. It reduced the cash value of the French films to a small sum, and as the French owners were also in liquidation they might very reasonably consider themselves to be very lucky if their films realised anything at all. Having been shown throughout the cinemas of France and Germany, their films had apparently exhausted their money-earning capacity and were no longer of any value except as historic exhibits.

Nothing could be more favourable to Messieurs Fournier and Buhot. If Verdun, as history, had lost its box office appeal, there was no doubt that the name itself had a great hold on the French public. So far as these gentlemen were concerned, they saw no reason why the magic name of Verdun should not again bring people flocking to the cinemas. All that was needed was to give the defence of Verdun a touch of romance, and this, to them, was no difficult matter.

Going to the owners of the film, they managed to acquire it for about £500. Then they ran it through on the screen and studied it. A story was woven round the war operations, the romantic scenes to link the whole together were duly photographed at no great expense, and after that it was just a question of cutting out the uninteresting parts of the historic Verdun films and joining all the bits and pieces together to form a connected narrative.

In due course Verdun once more caught up the imagination of the French people and filled the cinemas of France. It was a popular success and money flowed into the box offices and incidentally into the pockets of

Messieurs Fournier and Buhot to confirm the accuracy of their judgment.

This same film was shown in Britain where the name of Verdun flamed up for a time on the hoardings. Some of the critics gave it enthusiastic notices and it had numerous bookings, making a fair sum of money. The subject, however, was so closely linked with France that the British cinema-goers could not be expected to wax so enthusiastic about it as did the French.

On the whole, then, Max Fournier and Emile Buhot ought to have been very satisfied with the way they had turned a scrapped film into a box office success. They added the touch of imagination that made something that was almost worthless into something that earned a small fortune in the aggregate for those concerned. Their business acumen was well rewarded.

Men with logical minds could hardly hope to repeat such a triumph by doing the same thing over again. But Max Fournier and Emile Buhot were seemingly hopeful, for they quietly discussed a new venture and let their imaginations rove round the world to find the best market for their next film.

For some reason they decided that Canada was the country which offered them the finest possibilities, and in the course of time it became known that they had produced another war film entitled *La Grande Guerre*. They valued it highly—very highly—and in view of the risks they ran in sending it to Canada they took out an insurance with Lloyd's on October 27, 1927, for a sum of 1,500,000 francs which at that time would be worth about £12,000. This, according to them, was the value of the film, and as there was no reason to doubt their word the underwriters agreed to the figure.

Sad to say, their film never reached Canada. It was placed on a train in Paris which ought to have brought it

safely to Havre. The forwarding agents in Havre were duly instructed to call for the case and ship it safely on the steamer, but when they went to the station to pick up the case it could not be found.

There was a great to-do. The agents demanded their case. The railway officials said they had not got it. They turned over all the stuff that had arrived by that train and the films were not there. They looked about the station and into the goods van and explained with copious gestures and expostulations that the films had not arrived. The tins of films in their packing case had simply vanished on the journey. There was no denying that they were placed on the train when it started, for there were the way bills and receipt to prove it. But somehow, somewhere, the film had disappeared on the way.

Were the owners of the film thankful that they possessed the foresight to insure it during transit to Canada and back to France? It is likely. There was at any rate the insurance of £12,000 to indemnify them against the fortune which *La Grande Guerre* might have earned for them in Canada.

Carrying out the instructions in their policy, they notified the underwriters of the loss. To their disgust they found that the underwriters refused to pay.

Messieurs Max Fournier and Emile Buhot were annoyed. They proved that the films had been placed on the train at Batignolles in Paris, they produced the clearest evidence that the films could not be found at Havre. In vain. The underwriters would not pay.

This was more than the Frenchmen could tolerate. An insurance policy is a legal contract, enforceable at law, if the terms are fulfilled. The writ they served may have inspired a hope that the underwriters would be glad to settle out of court, instead of which the underwriters showed fight. It was nearly three years after the policy

was taken out that the French film producers and English underwriters began their legal battle over *La Grande Guerre* before Mr. Justice Roche in the King's Bench Division on October 15, 1930.

In polite legal terms the underwriters said the whole thing was a fraud. According to them the film was over-valued and over-insured and it was not lost at all. As for Monsieur Emile Buhot, they learned that he had at one time been in charge of the police on suspicion of having received stolen goods, but it must be said in fairness to that gentleman that he was never brought to trial and was released.

It was, when you come to think of it, rather queer that the Frenchmen should decide on Canada as the best market for a film called *La Grande Guerre*. The title made no extraordinary appeal to the Canadian public. It was in French, and there was about it no trace of the naughtiness which might have brought English-speaking audiences flocking to the cinema to see it. Even when the French leanings of the descendants of the original settlers in Quebec are marked as favouring the French film producers, there still seems a good deal of justification for the underwriters querying why a French war film should be sent all the way to Canada when just across the Channel in Britain was a potential market of forty millions or so of cinema-goers.

It is, however, no crime for a business man to select the wrong market. If his judgment happens to be faulty in this respect he usually pays sweetly for his mistake. But when two men show considerable business acumen in buying a second-hand war film and turning it into a popular success, it cannot be said that they are lacking in imagination or judgment. They have by their action proved the contrary. Why, then, should they select Canada as their market?

Their intention was to ship the negatives to Canada and print the necessary copies of the film in Canada for showing in the cinemas. The disappearance of their negatives thus made their loss final and complete, for no master negative remained from which they could print further copies. It did not, therefore, seem very prudent of them to part with the only copy in existence—if the film were as valuable as they sought to make out.

With the most brutal candour, the underwriters swore that the film was of little value. Mr. Justice Roche, seeking to discover whether the underwriters were wrong or right, went into the question of value very carefully while the French owners of the film were in the witness box.

“How did you arrive at the value of the film?” was the gist of the judge’s questions.

“We reckoned that *Verdun* was worth to us at least 1,500,000 francs and *La Grand Guerre* was probably worth the same,” was a summary of their replies.

Had they not the bookings to prove the value of *Verdun*? This film was admittedly a success. No one denied it. But the rewards earned even by successful films vary in size, some being big and others not so big.

The questions were put very politely to the Frenchmen. Their replies at times were rather halting, but they did not prevent the judge from arriving within range of the truth.

“In point of fact,” he said in his judgment, “it turns out that the total takings or the total profit on the bookings of *Verdun* never amounted in the course of its career to 1,500,000 francs and out of that had to come all expenses. The plaintiffs’ benefit out of it, as that part of the profits which went to the plaintiffs, was so far as their evidence goes something under half a million francs.”

This was very unpleasant for the film producers, for if they had made no more than £4,000 profit out of a

film which appealed so strongly to the French nation, how was it possible for keen business men to expect to do as well out of a French film shown to a foreign people? The thing was not feasible.

If only the French producers could have furnished their accounts showing the cost of *La Grande Guerre* they would have been on something like firm ground. But this they would not, or could not, do, for it came out that this film, which was insured for £12,000, was simply made up out of the cuttings that were discarded when the film of Verdun was being made from the Verdun scenes!

Mr. G. H. Valentine, one of the underwriters who was sued, remarked to the judge: "If I had known that the film had only cost £500, I would not have written the risk for more than £1,000. And if I had known that Monsieur Buhot, who was interested in the film, had been involved in criminal proceedings, I would not have written the risk at all."

This much must be said for the Messieurs Fournier and Buhot. They did their best in difficult circumstances. They must have known that even Lloyd's underwriters would not be so foolish as to insure for £12,000 something which cost £500 and then pay up in full when the article costing £500 went astray. In their dilemma they sought to justify their valuation. The best excuse they could think of was that they were entitled to value the film at one and a half million francs, because if they were forced to stage real bombardments for a similar film it would cost them at least this sum. Even the judge could not swallow that.

What made matters worse for the French film owners was that instead of sending their film by express train, as anyone sending something extremely valuable would be likely to do, they sent it by a slow train. The risks of an article disappearing from an express train which does not

stop until it reaches its destination and a slow train which makes several stops are very different. Each time a train stops, an opportunity may arise for removing the package from the van. Deliberately to send a package by a slow train may easily give the impression to less gullible people than underwriters that the opportunity was being courted.

But the judge, thinking over all the evidence, gave the Frenchmen the benefit of the doubt. He would not find they were guilty of fraud. He listened to the reasons why the films had been sent by slow train, and to his ear the reasons did not ring true. There was no doubt in his mind that the loss happened because the films were sent by this slow train, and he could not help believing that the goods were sent that way on purpose.

The more he considered the Frenchmen's evidence the more unsatisfactory it seemed. Still he would not find them guilty of fraud. He said frankly that if he were in the position of a jury in Scotland he would return a verdict of "Not Proven."

"If I were a jury sitting in England I should return a verdict of 'Not Guilty', meaning thereby that the case was not made out with that reasonable certainty necessary for a verdict of 'Guilty' or for a decision that there was a fraud in such a case, and not on the ground that I was satisfied there was no fraud. On the contrary, I am extremely dissatisfied with the evidence of the plaintiffs and I attach no credence to any part of it where it relates to matters in dispute."

Perhaps in these circumstances the French gentlemen were lucky to escape the stigma of fraud. But they did not, as they hoped, lift that £12,000 from the coffers of the underwriters of Lloyd's. In taking out an insurance policy there are things that may be done and things that may not be done. One of the things that may not be

done is to hide material facts from the underwriter. He claims to be told all the facts concerning the things that figure in the insurance so that he may judge whether the risk is worth accepting.

In this case Mr. Justice Roche said there was a non-disclosure of material facts concerning the cost of the film, so the fight in the English courts over *La Grande Guerre* ended in a victory for the underwriters.

It was a sad aftermath for the producers of the successful film of *Verdun*.

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